

Fixed Sum Loan Agreement Explanation

Thanks for choosing Evolution Funding Limited to assist with your car purchase.

This document, which is three pages long, provides you with a general explanation of your credit agreement before you sign it.

It is important that you read this document and if you have any questions about the credit agreement, please do not proceed until you have spoken to your supplier or introducer.

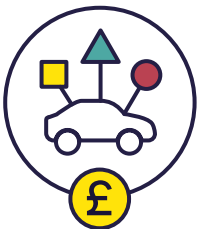
We'll begin by explaining a little about your supplier or introducer and Evolution's regulatory status.

Both are authorised and regulated by the Financial Conduct Authority for credit brokerage and we work with a number of carefully selected credit providers who may be able to offer you finance for your vehicle purchase.

Evolution and your supplier or introducer will both receive a commission for arranging your agreement. Details of our commission arrangements can be found in the Initial Disclosure Document we have provided to you. The supplier or introducer will provide you with details of their arrangements.



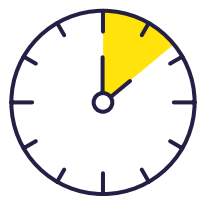
Please note we are not independent financial advisors and are unable to give you independent financial advice.



Once you have received your documents, or if signing online, you should allow sufficient time to read and understand the terms of the agreement before you sign them.

We will now give you a written explanation of the agreement. Only proceed to sign your agreement if you feel the terms and conditions meet your needs and circumstances and you believe the loan is affordable to you for the duration of the agreement.

The purpose of this agreement is to finance your vehicle purchase from the supplier and, if you have asked them, certain related products or services. It is not suitable for other purposes.



Please ensure that you take as much time as you need to read and understand the pre-contract credit information.

This section of the agreement document gives you essential information about your agreement, including the key features and cost of the credit. Please seek further explanations where required.



You are welcome to take away the pre-contract credit information, or you can come back later, before you complete your documents, if you are signing online.

Your credit agreement is a fixed sum loan agreement which are regulated by the consumer credit act 1974.

Confirmation of the type of credit agreement you have been offered is detailed in section TWO of the pre-contract credit information.



Here are some key features of your agreement that you should understand to ensure the product is suitable for your needs:

- 1** You own the vehicle from the start of the agreement. The loan is not secured against the vehicle.
- 2** The lender may choose to keep track of the car through vehicle provenance services such as HPI or Experian. This is called a 'tracking interest'.
- 3** As you are the owner of the vehicle, and unlike the terms of a Hire Purchase agreement, you cannot voluntarily terminate the agreement and return the asset after repaying 50% of the total amount payable.
- 4** Your agreement has fixed periodic payments, typically monthly, and a set contract term, often between TWO and FIVE years. However, you have the right to full or partial early settlement.



If you are unsure whether the type of agreement you have been offered is suitable for your needs, you should speak to your supplier or introducer before entering into the contract.

Your repayment schedule, repayment amounts, and the total amount payable are detailed in section **two** of the pre-contract credit information and in your agreement.

Section **three** details the cost of the credit, including the interest rate, any fees and the Annual Percentage Rate or APR.



Please read the information in section TWO and THREE carefully, and only enter into a credit agreement you believe is affordable to you.

Before you enter into this agreement you should make the supplier, introducer or Evolution aware of any future changes to your circumstances you are aware of that may affect your ability to make the repayments detailed in your agreement.

These changes will be communicated to the creditor's lending unit for further consideration.

Failure to make the payments as they fall due will mean that you have breached the terms of your agreement and could result in the creditor taking legal action against you.

Depending on the type of agreement you are entering into, this may include obtaining a charging order against a property you own.

You may incur additional costs and it could make it more difficult for you to obtain credit. Further details on the cost of late payment can be found in section **three** of the pre-contract credit information.

You have the right to withdraw from the Credit Agreement.



You must notify the Creditor of your intent to withdraw within **14** days of the agreement beginning, commencing the day after receiving your copy of the executed credit agreement.

You will then have up to **30** days to settle the credit amount borrowed, plus any daily interest that has accrued. Further details can be found in section **four** of the pre-contract credit information or in your agreement.

Cancelling the credit agreement does not mean you can cancel the vehicle purchase. Instead, you would have to find alternative means to pay for the vehicle.

In the unlikely event that you wish to make a complaint about either the supplier, introducer or Evolution, you can telephone us on **01246 458 800**, write to us at **Evolution Funding Limited, Thompson Close, Chesterfield, S41 9AZ** or email us on **complaints@evolutionfunding.com**.

Your supplier or introducer will give you their contact details separately. Your lender's details will be provided when you sign your credit agreement.

You have the right to refer any unresolved complaint to the Financial Ombudsman Service.

 **0800 023 4567** or **0300 123 9123**

 **The Financial Ombudsman Service, Exchange Tower, London, E14 9SR**

 **complaint.info@financial-ombudsman.org.uk**

You can also find details of how to make a complaint on any of our company websites.



This explanation is not a substitute for reading your agreement before you sign it and is only a general explanation of its key features.

Should you have any further questions or concerns, you should speak to your supplier or introducer, or call Evolution on **01246 458 800**. Thank you for your time and we hope you enjoy your vehicle purchase.