

Product sale

Customer outcome: business customers will only be provided with an appropriate and affordable product which meets the requirements of the business.

Firms will achieve this: with systems and controls that ensure the sales process, training and incentives promote the right behaviours and direct their employees, or their agents, to deliver the right customer outcome.

1. The customer should be provided with clear guidance on the information and documentation they will need to submit during the application process.
2. The customer should be informed of the likely time it will take for a lending decision to be made. Following receipt of the required completed documentation, Firms should ensure that customers are kept informed of the progress of their application.
3. The customer should be made aware that when they apply for a product, checks may be made at Credit Reference Agencies and that information may also be provided to Credit Reference Agencies during the life of the relationship
4. Before providing an asset finance product, an assessment should be made, from the information available at the time, as to whether the customer will be able to maintain their payments or rentals in a sustainable manner without encountering financial difficulty.
5. Where a quotation facility is offered, the customer should be made aware that any quotation is based on information known about the customer at the point in time, how long it is valid for and that it may be subject to change.
6. At the point of sale, the customer should be provided with clear information regarding the key features of the product, what options are available to them at the end of their primary agreement and what action, if any, they will need to take.
7. The customer should be provided with clear information to enable them to understand the total cost of the product. This information should be made available to the customer upon request, throughout the lifetime of the relationship.
8. Where the agreement allows for early termination, the customer should be provided with clear information regarding the costs associated with this.
9. The customer should know what will happen to the asset at the end of their agreement and what action, if any, they need to take.

10. The customer should be informed if any additional security is required to support the borrowing and the reason why. The level of security required should be appropriate to the amount borrowed.
11. Where additional security is taken, beyond the asset itself, this should not be retained beyond the life of the agreement without the customer's consent.
12. The conditions of the facility should be confirmed in writing and the customer should be allowed time to seek independent advice, if they wish to do so.
13. The customer should be kept informed of the estimated timescales which may apply to the issuing of the agreement or for obtaining any additional security that may be required to support the borrowing.
14. Before a customer accepts the agreement, the customer should be told what form of monitoring information, if any, they will be required to provide about the business' performance and how often this will be required.
15. If an individual or a business agrees to provide an additional security, they should be made aware of their obligations under the agreement and that they have the option to seek legal advice, should they wish to do so.