



DF Capital

Rental and Hire Fleet Finance for Leisure Assets

Flexible funding for rental or hire fleets



Our flexible and tailored finance products can support the working capital in your business. Using Rental and Hire Fleet Finance, you can secure the new or used rental or hire fleet products you need while spreading the cost over time.

With a credit facility for your rental or hire fleet products supporting your working capital, you can focus on increasing sales opportunities and growing your business.

DF Capital is a specialist commercial lender for SMEs, providing working capital solutions to manufacturers and their dealer networks across the UK. We're committed to providing flexible and straightforward finance delivered through a team of industry experts who work in partnership with your business.

Rental and Hire Fleet Finance

Rental and Hire Fleet Finance is a simple and effective way to fund new or used rental or hire fleet units. With a credit facility for your rental or hire fleet units, you'll benefit from a payment schedule with fixed costs and no early repayment penalties. You'll also be able to rent funded units to your customers for up to 90 days per rental or hire contract.

With a 4-year term you'll spread the cost of rental or hire fleet units over time. At the end of the 4-year term your business will own the unit and can continue to rent this, or sell as a used unit. If you choose to settle the unit within the 4-year term, you'll just need to repay the outstanding capital but won't be charged any early repayment penalties.

With Rental and Hire Fleet Finance your business could benefit from



Growing sales

With a specialist credit facility for rental or hire fleet units, you can grow your sales by having the products you need to secure customer contracts, while repaying the unit over a 4-year term.



Seasonal cash flow support

A seasonally aligned repayment structure means you'll repay a lower percentage of the unit during November-March each year, providing additional cash flow support in these months.



Flexibility to sell the unit at any time

Settle the unit at any time during the 4-year term and pay only the outstanding capital, with no early repayment penalties, meaning you can offer your customers rental periods of up to 90 days.



Fixed costs and a transparent pricing structure

A structured repayment plan with fixed costs means you'll know exactly how much you'll be paying each month across the 4-year term, allowing you to budget effectively.



Working capital availability

Free up your working capital by acquiring the products you need without paying the full cost upfront, providing you with working capital that you could invest into other areas of your business.



Support and guidance

Our team of industry experts are on hand to support you throughout the funding process. You'll work with specialists who understand your market and can provide insight and guidance.

Tailored solutions for rental products

Our flexible Rental and Hire Fleet Finance solution helps to support seasonal cash flow and increase sales opportunities for rental or hire fleet products. You'll also benefit from working with a team of finance experts committed to supporting your business.

Key features

- ✓ Credit facilities to fund rental or hire fleet products
- ✓ Financing available on an individual unit basis for new and used assets
- ✓ Rental or fleet products funded can be used for a maximum of 90 days per individual rental contract to your customers
- ✓ 4-year funding term
- ✓ Credit lines available from £30,000
- ✓ Transparent pricing and facility terms designed to support seasonal cash flow needs
- ✓ Settle the outstanding balance at any time with no early repayment penalties
- ✓ Funding is secured primarily against the product itself, reducing the need for additional security
- ✓ Simple online application and onboarding process for dealers
- ✓ Seamless funding experience with our market-leading account management portal
- ✓ Daily support available from our dedicated industry specialists

Rental and Hire Fleet Finance funding supports the purchase of rental or hire fleet units, and can be used alongside existing credit facilities, subject to the terms of those credit facilities.

Important information about DF Capital's credit facilities

- Finance for dealers is subject to terms, conditions, eligibility criteria and credit approval
- The facility limit for dealers is based on credit rating and determined by DF Capital, and may be increased or decreased from time to time
- DF Capital will retain ownership of the financed goods until repaid in full
- Financed goods are at the risk of the dealer
- Eligibility of goods for finance is determined at DF Capital's sole discretion

Transparent pricing and facility terms

Rental and Hire Fleet Finance, as with many finance agreements, includes different types of repayments and fees. We've broken down these down to show you what you would be paying across the term of the funding.

A structured repayment plan designed to support your business needs

This example is for illustrative purposes only. The terms and conditions for each Rental and Hire Fleet Finance facility are stated as part of the Rental and Hire Fleet Finance Commercial Terms, provided after credit underwriting.

Term:	4 years (48 months)
Initial repayment:	This is the percentage of the original invoice value for the unit that DF Capital holds when advancing payment for the unit. The initial repayment amount is 20% of the original invoice value as standard. You then repay the outstanding balance of 80% over the 4-year term through your capital repayments.
Capital repayments:	<p>This is the percentage of the original invoice value that you repay on a monthly basis, reducing the principal balance. Each year of the 4-year term you will repay a total of 20% of the original invoice value, totalling the outstanding balance of 80% at the end of the 4-year term.</p> <p>Capital repayments are seasonally structured to support cash flow needs which means that you pay a lower amount over the months of November-March. This means you would pay:</p> <ul style="list-style-type: none">• a higher percentage of the repayments during April - October (2.5% per month); and• a lower percentage during November - March (0.5% per month). <p>You repay the same total percentage of capital repayments (20%) over each year of the term, irrespective of which month this starts.</p>
Processing fees:	Each year you'll pay a processing fee for the funding. The processing fee is higher in year 1 (£100), but is then a lower amount on each anniversary (£50 per year).
Unit fees:	These are the monthly fees you pay DF Capital for providing the funding for the unit. They are charged as a percentage of the year's starting balance for the unit, which means each year the amount you pay per month will reduce as you repay the unit.
Facility fees:	Facility fees are linked to the size of your credit facility. They are payable monthly and the value is defined when a credit facility is opened, or if the size of the credit facility is changed at any time.

Repayment frequency

All repayments and fees due are charged automatically by Direct Debit, so you don't need to manually make any payments. You can also choose to settle the outstanding balance on the unit at any time without any early repayment penalties.

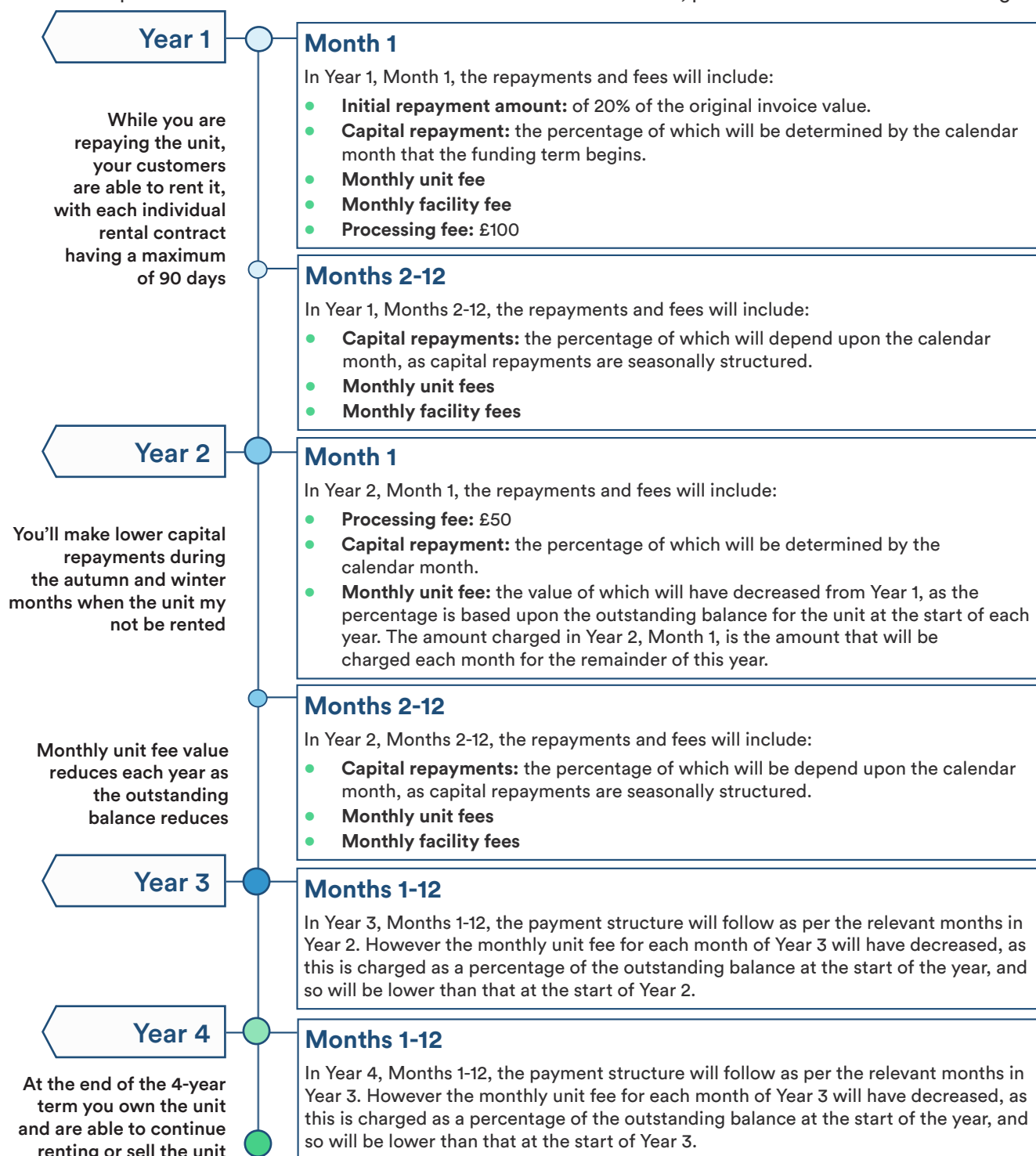
The table below explains when term years and monthly payments occur, along with how early repayments work:

Term year:	The day payment is advanced for the unit is called Day 1. You'll then repay the cost of the unit over the agreed 4-year term. Each new year of the term will begin on the anniversary of the advance date - for example if payment is advanced for a unit on the 6 February 2022 then Year Two will begin on 6 February 2023.
Monthly payments:	Monthly payments are aligned to calendar months. Payments are charged monthly in arrears, except for the first month in which monthly payments are deducted from the advanced amount. This means payment is charged by Direct Debit on the 15 th of each calendar month, and will include the payments and fees for the previous month.
Early repayments:	<p>If you choose to repay the outstanding balance for the unit within the 4-year term, you will only be charged the remaining outstanding balance for the capital repayments. That means you can settle the unit anytime without incurring any early repayment penalties. Any unit or processing fees that would have been due during the remaining term will not be charged.</p> <p>Once final repayment of the outstanding balance has been made you will own the unit, and can continue to rent this or the sell the unit depending on the needs of your business. This means you can offer your customers the option to rent a unit for up to 90 days before they commit to purchasing the unit.</p>

How Rental and Hire Fleet Finance works

The below timeline shows the payment schedule for a unit which runs the full 4-year term. If early repayment of the outstanding capital balance was made at any time during the term, the outstanding monthly unit, monthly facility and processing fees would not be charged.

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Additional cash flow support

We can fund a wide range of assets, including new, used, display and demonstration products through our range of finance solutions, providing you with flexibility to meet the different needs of your business.

With a team of industry experts, we'll work with you to develop a tailored solution that works for your business. This may include one or a combination of our inventory finance products:

Floorplan Finance

Provides a credit facility to fund inventory from manufacturers with a DF Capital supplier program. This pay-when-sold finance solution enables your business to increase stock volume, optimise cash flow and grow sales without needing to pay the full cost of the product upfront.

Floorplan Finance can be used for new serialised equipment from specific manufacturers. Repayment is aligned to the cash flow from sale, or earlier if the end of term date is reached.

Extended Terms

Extended Terms allows dealers to fund the inventory they need and repay the product with a series of bullet payments. With this option you have specific repayment dates set out in the agreed terms, providing increased control over budgeting as you'll know exactly how much you'll be paying and when.

Extended Terms can be used for new serialised equipment. Final repayment is due on the agreed date irrespective of when the unit is sold.

Unit Stocking

Our Unit Stocking product helps dealers to release unrealised cash held in existing stock. Another pay-when-sold finance option, Unit Stocking enables dealers to increase cash flow by selling or refinancing existing stock to DF Capital, and then repaying the unit over an agreed period of time.

Dealers can also choose from a range of available terms for eligible funding requests. Meaning they can create a repayment schedule that meets their specific cash flow needs, reflects the seasonality of their business and market demand.

Unit Stocking can be used for new and used serialised equipment. Repayment is aligned to the cash flow from sale, or earlier if the end of term date is reached.

Facilities for the above products require approval from DF Capital following dealer application.

A seamless funding experience

We provide a seamless funding experience for your business delivered through market leading technology.

Our digital innovations include



Fast and efficient onboarding

DF Onboard, a simple online application and onboarding process for dealers, streamlines application, documentation and credit decisioning, and provides a fast and transparent outcome for applicants.



Industry leading account management portal

DF Connect provides a seamless funding experience. With DF Connect you can manage your facility online, including the ability to submit direct funding requests for products such as Unit Stocking, track the status of applications and make repayments on a self-serve basis.



Real-time digital asset auditing

Periodically auditing assets is usually a standard part of inventory funding but with DF Check¹, an innovative solution for digital asset auditing, the process is quick and simple. With DF Check, dealers or DF Capital staff can check assets with an app, improving the speed and simplicity for audits.



Increased choice and control to tailor funding requests

DF Choice, an exclusive feature to our Unit Stocking product, enables dealers with a range of available terms to choose from when submitting an eligible funding request.² Available on a unit by unit basis, DF Choice provides customers with increased choice and control to tailor individual funding requests via DF Connect, allowing customers to submit eligible funding requests online in minutes.

¹Powered by CheckVentory.

²DF Choice is available where DF Capital would pay the dealer directly. For funding requests where payment from DF Capital would be made to a third party payee (e.g. a manufacturer), standard Unit Stocking terms are available.

Why choose DF Capital?

DF Capital works in partnership with its customers. Our lending products are flexible, straightforward and supported by experts.

Our specialist credit facilities provide quick and easy access to funding when you need it, supporting the growth of your business. We partner with 75 manufacturers and over 700 dealers to provide working capital solutions for their businesses. We have lent over £1.4bn to UK dealers and manufacturers since we started lending in 2017.

We support the growth of SMEs across the UK. We are specialists in commercial lending, and have developed our range of finance products to provide flexible and practical solutions that help and enhance the businesses we work with.

Our industry specialists are here to provide ongoing support for your business needs. We'll take the time to understand your ambitions and financial situation, and develop a tailored solution for your business.

You'll benefit from a team of experts focused on your industry, who will proactively work with you to identify opportunities to support your needs.

We are committed to providing a seamless funding process for our customers. From our easy application and onboarding process, transparent pricing and facility terms, to our digital innovations, our solutions are designed to support not only your long term ambitions but also the day-to-day running of your business.

What makes us different?



Product and industry expertise

Our dedicated industry specialists have vast experience working with customers across multiple industries



Relationships

Our business is built on relationships and focused on supporting our customers



Agility

We can react quickly to customer demand, products and services



Technology

Our easy to use platforms make managing your account simple - including providing enhanced visibility and control

Key product information

Applicable Units	New and used serialised equipment.
Revolving Credit Facility Limit	Minimum Overall Limit: > £30,000 Maximum Overall Limit: As defined in the Facility Letter
Invoice Advance Limit	80% of original wholesale value of goods including VAT, or as set out in the Sale Offer.
Due in Full (DIF) Date	4 years (48 months), and as defined in the Sale Offer. It's the date when the remainder of your loan balance, fees and other sums due should be paid in full and will occur at the end of the 4-year term (after 48 months).
Early settlement	<p>Early settlement can be requested by the Dealer at any stage throughout the term. There is no early settlement penalty.</p> <p>If early settlement is requested, full capital repayment will be due. This is the remainder of your loan balance and will be required in full. Any Monthly Facility Fees, Monthly Unit Fees or Processing Fees for the unit which would be due during the remainder of the term will not be charged.</p>
Capital Repayment and Fees	<p>Full Capital Repayment – Due upon early settlement date if early settlement requested by the Dealer.</p> <p>Initial Repayment¹ – 20% of the original invoice value which DF Capital holds when advancing payment and as defined in the Sale Offer.</p> <p>Monthly Capital Repayments¹ – Payable from day 1 (the date payment is advanced by DF Capital) as a % of the original invoice value, and as defined in the Sale Offer. During the months April-October each year Monthly Capital Repayments are 2.5% of the original invoice value per month, and in November-March each year are 0.5% of the original invoice value per month. The total payable each year will equal 20% of the original invoice value.</p> <p>Monthly Facility Fee – Fee linked to the size of Revolving Credit Facility Limit and as defined in the Facility Letter. Payable each month, where any unit on the facility is charged a Monthly Unit Fee.</p> <p>Monthly Unit Fee¹ – Charged as % of the starting balance for each year of the term, and payable on day 1 and monthly thereafter. Fee % depends on the Dealer's risk rating.</p> <p>Processing Fee – £100 payable on activation of the funding, and £50 on each anniversary of the agreement, as defined in the Sale Offer.</p> <p>¹ Unit Fee is based on current Bank of England Base Rate. DF Capital will change Unit Fee by 0.03% for every 0.25% change in Bank of England Base Rate and is subject to a minimum Base Rate of 0.5%.</p>
Payment Method	By Direct Debit (DD) from a bank account established in the name of the Dealer.
Important Information	<ul style="list-style-type: none"> • Finance subject to terms, conditions, eligibility criteria and credit approval. • Facility limit based on credit rating and determined by DF Capital in its sole discretion and may be increased or decreased from time-to-time. • DF Capital will retain ownership of financed goods until repaid in full. • Financed goods are at the risk of the Dealer. • Eligibility of goods for finance is determined at DF Capital's sole discretion.

Illustrative example

This example is for illustrative purposes only. The terms and conditions for each Rental and Hire Fleet Finance facility are stated as part of the Rental and Hire Fleet Finance Commercial Terms, provided after credit underwriting. This is a Master Sales and Purchase Agreement model. Other models may apply.

Applicable Units	New and used serialised equipment
Revolving Credit Facility Limit	£100,000
Invoice Advance Limit	80% of original wholesale value of goods including VAT.
Due in Full (DIF) Date	4 years (48 months)
Capital Repayment and Fees	<p>Full Capital Repayment – Due upon early settlement date if early settlement requested by the Dealer.</p> <p>Initial Repayment – 20% of original invoice value which DF Capital holds when advancing payment.</p> <p>Monthly Capital Repayments – Payable from day 1 (the date payment is advanced by DF Capital) as a % of the original invoice value and as defined in the Sale Offer. During the months April-October each year Monthly Capital Repayments are 2.5% of the original invoice value per month, and in November-March each year are 0.5% of the original invoice value per month. The total payable each year will equal 20% of the original invoice value.</p> <p>Monthly Facility Fee – £30 payable each month, where any unit on the facility is charged a Monthly Unit Fee.</p> <p>Monthly Unit Fee¹ – Charged as 0.45% of the starting balance for each year of term, and payable on day 1 and monthly thereafter.</p> <p>Processing Fee – £100 payable on activation of the funding, and £50 on each anniversary.</p> <p>¹ Unit Fee is based on current Bank of England Base Rate. DF Capital will change Unit Fee by 0.03% for every 0.25% change in Bank of England Base Rate and is subject to a minimum Base Rate of 0.5%.</p>
Illustration: Dealer orders 1 unit for £50,000, and the funding runs to term.	
<ol style="list-style-type: none"> In April 2022 Dealer orders a unit, with a serial number “1234”, and requests funding for the unit from DF Capital via the DF Capital customer portal, DF Connect. Subject to approval of the funding request, DF Capital purchases the unit “1234” for the full invoice value of £50,000 including VAT. DF Capital then resells the unit to the Dealer* (maintaining title of the unit) on day 1 advancing £38,425, holding 20% as the Initial Repayment (£10,000) and deducting the Monthly Capital Repayment amount for the month of April (£1,250), Processing Fee (£100) and Monthly Unit Fee (£225) for the first month. Unit with serial number “1234” shows on DF Connect. At the end of each month, the Dealer receives their monthly statement and pays on the 15th of the following month through DD, including the Monthly Capital Repayment and Monthly Unit Fee amounts for the respective month, and yearly Processing Fee where applicable. <i>(Page 13 provides a detailed breakdown of the monthly repayments and fees paid by the Dealer across the 4-year term).</i> On the Due in Full Date, the Dealer will have repaid the loan value and all relevant fees, and the lien and title for the unit is passed to the Dealer. In this example, the Dealer would have repaid £5,940 in Monthly Unit Fees plus a total of £250 in annual Processing Fees (total £6,190) on the unit “1234” across 4 years, and repaid £50,000 of capital. 	

In this illustration a £30 Monthly Facility Fee is also payable each month where any unit on the facility is charged a Monthly Unit Fee.

The repayments and fees made each month of the 4-year term in the illustrative example, would be as below:

Month	Processing fee	Unit fees	Facility fees	Capital repayments	Capital repayment percentage
Year 1					
April, Day 1	-	-		£10,000	20%
	£100	£225	£30	£1,250	2.50%
May - October	-	£225 per month	£30 per month	£1,250 per month	2.50% per month
November - March	-	£225 per month	£30 per month	£250 per month	0.50% per month
Year 2					
April	£50	£135	£30	£1,250	2.50%
May - October	-	£135 per month	£30 per month	£1,250 per month	2.50% per month
November - March	-	£135 per month	£30 per month	£250 per month	0.50% per month
Year 3					
April	£50	£90	£30	£1,250	2.50%
May - October	-	£90 per month	£30 per month	£1,250 per month	2.50% per month
November - March	-	£90 per month	£30 per month	£250 per month	0.50% per month
Year 4					
April	£50	£45	£30	£1,250	2.50%
May - October	-	£45 per month	£30 per month	£1,250 per month	2.50% per month
November - March	-	£45 per month	£30 per month	£250 per month	0.50% per month
Total	£250	£5,940		£50,000	100%

For further information please contact our team of finance specialists on 020 3937 6390, or email us at enquiries@dfcapital.co.uk.



To find out more about how Rental and Hire Fleet Finance could support your business:

Call us on **020 3937 6390**

Email us at **enquiries@dfcapital.co.uk**

Visit us at **dfcapital.co.uk**



Terms and conditions apply, subject to status and affordability. Any asset used as security may be at risk if you do not repay any debt secured on it.

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