



# Volkswagen Contract Hire

## Product Information Guide

A Contract Hire agreement enables you to drive a new Volkswagen without needing to own it. Instead, you simply rent the vehicle for a flexible monthly rental payment. This is available for personal and business customers, but unfortunately not for hire and reward purposes.\*

### So, what are the benefits of a Contract Hire Agreement?

- You can choose how long your rental agreement lasts to suit your budget
- You can change your vehicle on a regular, but fixed, period
- No depreciation risk as you will not own the vehicle. You simply pay a monthly rental for the vehicle
- There is no final payment to pay at the end of the agreement (subject to excess wear and tear and mileage charges)
- For business users:
  - A proportion of the rentals may be claimable as an expense against taxable profits<sup>#</sup>
  - A proportion of the VAT on rentals may be recoverable by VAT-registered businesses<sup>#</sup>
- Service, maintenance and tyre plans can be built into your agreement to make budgeting even easier

### How does it work?

Before your agreement can begin, you have five simple decisions to make:



#### What vehicle would you like?

Visit your local Volkswagen Retailer or explore our range of vehicles online



#### How much would you like to pay as an initial rental payment?

This can be as little as one month's rental



#### How many miles will you drive each year?

This must be between 5,000 – 60,000



#### What contract term best suits you?

Choose a term between 12 and 48 months



#### Do you want to include a service, maintenance and tyres plan?

Once you have made these decisions, we will then calculate a monthly rental payment amount.

### **Once your agreement has started, this is what happens:**

- You pay back your monthly rental payments over the period you agreed at the start of your agreement
- To keep enjoying the vehicle, you need to keep up to date with your monthly rental payments. Failure to do so can impact your credit rating and result with the vehicle being repossessed. If you are experiencing any money struggles, please contact us as soon as possible on 0330 100 8911 so we can discuss what options may be available
- If you want to end your agreement early, you can request a settlement quote. How far into your agreement you are will affect the amount left to pay

### **When your agreement comes to an end:**

As you are hiring the vehicle, you simply hand it back to us. This is subject to being within BVRLA wear and tear guidelines and if there is any excess mileage, then charges will apply.