

Frequently Asked Questions – Interest Free Option Finance Product

We hope that you find the following information helpful to the management of your account.

What is Interest Free Option?

The Interest Free Option product allows you to make payments by Direct Debit throughout your specified **Option Period**. This can range from 6 months to 12 months depending on the terms of your finance agreement and if you settle the account before the end of the **Option Period** no interest will be charged.

What is the benefit of Interest Free Option?

The benefit of this type of agreement is that you have the flexibility to settle your finance interest free within the specified **Option Period**. Alternatively you can continue to make your monthly payments by Direct Debit over the remaining term of your finance agreement. However should you choose to settle your account in full after the **Option Period** then interest will be payable.

What happens if I choose to settle the agreement before the end of the Option Period?

If you choose to settle before the end of the **Option Period** stated in your finance agreement you will not pay any interest.

If I pass the date of the Option Period how much will I pay to settle my agreement?

Once the **Option Period** passes you will pay the interest accrued throughout the **Option Period** and up until the date you choose to settle the agreement. The settlement figure will include the interest to the day you settle plus 30 days of interest. The settlement figure we provide will include a rebate of interest due under the Early Settlement Regulations.

Can I make overpayments?

You can make overpayments and early settlements. If we receive a payment which is more than your normal monthly payment, we will treat the additional amount as a partial early settlement, unless you tell us otherwise. Your monthly payments will remain the same but we will reduce your last payment and/or the term of the agreement by adjusting the number of payments, depending on the amount you repay early. The total interest payable may be adjusted where applicable.

How can I make overpayments?

You can pay on line by debit or credit card by simply visiting our website <https://my.hpf.co.uk> or you can contact our Customer Service Team on 0344 375 5500. We also accept payment transfer via your internet or telephone banking using Sort Code: 40-02-50 Account Number: 71411101. For the payment to reach us you must provide your **Agreement Number** as a reference and you should allow five working days for the payment to reach us.

Can I settle my agreement early?

You can settle this agreement early at any time, in part or in full, by paying us some or all of the amounts you owe us.

Are there any penalties for early settlement?

If you choose to settle the agreement early before the end of the **Option Period** you may incur a £29.00 charge depending on your contract. After the **Options Period** the settlement figure will include the interest to the day you settle plus 30 days of interest. The settlement figure we provide will include a rebate of interest due under the Early Settlement Regulations.

How is the interest calculated?

The interest and APR are calculated on the assumption that you will make each monthly payment on its due date. Interest at the Interest Rate on your agreement has been calculated in advance on the Amount of Credit and applied on the date of the agreement.

When will the Interest be calculated from?

The interest accrues throughout the term of your agreement which includes during the **Option Period**. If you choose to settle before the end of the **Option Period** you will not pay any interest.

When will my payments start?

The first Direct Debit will be claimed approximately one month after the start date of the agreement, however you can make additional payments at any time. Please refer to your welcome letter for your current due date.

Can I change my payment date?

If you would prefer a different payment date to the one we have chosen then simply visit our website <https://my.hpf.co.uk> and select "Change your payment date". Alternatively you can contact our Customer Service Team on 0344 375 5500.

What will happen if I miss a payment?

If you do not make your monthly payment in full on your due date your agreement will be in arrears. Please refer to the Terms & Conditions of your agreement for information on Default Interest. You may also have a charge applied to your account, details of which can be found on the back of your welcome letter.

Will I receive updates or reminders?

Yes, prior to the end of the **Option Period** you will receive a reminder giving you information on how much is owing at that time. We will also send you a statement annually on the anniversary of the agreement start date.

Who is the finance provider?

Hitachi Capital Consumer Finance of 2 Apex View, Leeds, LS11 9BH. We are a division of Hitachi Capital (UK) PLC.

Who do I contact if I have a query with my finance agreement?

Our Customer Service Team will be happy to speak to you about any queries you may have. Please contact them on 0344 375 5500.