

# FLA Business Finance Code

- 1** FLA members will abide by the Code and all relevant laws and regulations, will trade fairly and responsibly with customers, and will promote responsible trading between intermediaries and customers.
- 2** Before a business finance agreement is contracted, FLA members will provide customers with appropriate information.
- 3** FLA members will make business finance agreements that are clear and fair.
- 4** FLA Members will provide effective customer service.
- 5** FLA Members will clearly explain the options available to customers at the expiry or termination of business finance agreements.
- 6** Members will operate appropriate complaints procedures.

Detailed guidance on how FLA members will abide by the Code is available from the FLA website at [www.fla.org.uk/business](http://www.fla.org.uk/business)



## FLA conciliation procedure

Compliance with the Code is a condition of FLA membership. Members' compliance with the Code is governed by the FLA's Business Code Group. In the event of continued or repeated non-compliance, the FLA will take action, including a warning or expulsion from FLA membership.

The FLA operates a conciliation procedure for customer complaints that cannot be resolved by members, and also offers an independent mediation scheme. Details are available from [www.fla.org.uk/business](http://www.fla.org.uk/business)

## Finance & Leasing Association

Imperial House  
15-19 Kingsway  
London WC2B 6UN

T 020 7836 6511  
F 020 7420 9600

Typetalk  
18001 020 7836 6511

[info@fla.org.uk](mailto:info@fla.org.uk)  
[www.fla.org.uk](http://www.fla.org.uk)

January 2010



# FLA Business Finance Code



## The Finance and Leasing Association

is the leading trade association for the asset, consumer and motor finance sectors in the UK.

FLA members provide finance leasing, operating leasing and hire purchase facilities to business customers and the public sector. In 2008 FLA members provided new business finance of almost £30 billion was provided to the business sector and UK public services, representing almost 28% of all fixed capital investment in the UK (excluding real property and own-account software).

This Code sets out the standards that FLA members will meet when providing asset finance to businesses and the public sector.

# Guide to successful asset finance: Checklist for business finance customers

## Customers who are introduced by office equipment suppliers are recommended to take the following steps:

- 1** Ensure with the supplier that the office equipment is new, or if not that you are content that used or refurbished office equipment is suitable, and that the minimum period of hire is no longer than your expectation of the working life of the equipment.
- 2** Always ensure that the completed contract corresponds with any verbal or written quotation, and that the equipment description accurately reflects what you are agreeing to pay for including any maintenance or services included in the repayments.
- 3** Ensure that the supplier of any office equipment involved is reputable and an accredited supplier of the equipment involved.
- 4** Make it clear within your own organisation who can sign such agreements.
- 5** Read your business finance agreement carefully before signing it and ensure it is correct, particularly in respect of the rental amount and the period of hire. Never sign a business finance agreement which is not fully completed.
- 6** Check the name of the leasing company, and where relevant its parent company, on the page of the lease agreement which you sign and whether this company is a member of the FLA.
- 7** Make sure you understand and agree with all terms and conditions of the business finance agreement and, if you are unsure, seek advice.
- 8** Make sure you understand the costs involved and whether the business finance agreement allows for any automatic increases in charges.
- 9** Check the period of hire and any notice period required for its termination and the settlement terms to be applied on early termination.
- 10** Check whether the business finance agreement includes the supply of services and whether this will continue after any minimum or initial period of hire. If you are entering into a separate contract for the provision of service you should check its terms carefully.
- 11** If any amendments are made to your contract or a further contract is required to replace an existing agreement, do not sign it until you have made the same checks as you did for the original agreement.
- 12** If a new business finance agreement includes an element of refinancing from a previous agreement with a different provider, check that the settlement figure provided by the former provider matches the refinancing figure used by the new provider.

