

# CONTRACT HIRE (OPERATING LEASE)

In partnership with one of our authorised asset suppliers, Lombard's Contract Hire product offers a complete asset funding solution.

## Overview

A Contract hire agreement is a method of funding the use of an asset over an agreed period. You will not own the asset at the end of the contract and the assets need to be returned to the supplier.

## Benefits

- Lower monthly rentals as contract hire incorporates a residual value (estimated value at the end of the contract).
- Facilitates the use of an asset without taking ownership.
- Rentals are usually deductible against taxable profits.
- Rentals can be tailored to meet cashflow needs.
- Spread the cost of the asset in line with its value to your business.
- No large initial cash outlay or costs on disposal.
- Protected from any risks of an asset losing value and this may be reclaimed subject to your VAT status.
- VAT is charged on the rentals.

## Options, Fees and Features

- Product fees may apply
- Documentation Fee – A documentation fee may apply
- A maintenance contract may be available – Option to add on maintenance contract covering servicing, tyres etc may be available

## Important Information

- You will not own the asset at the end of the contract.
- Certain return conditions may apply.
- You will need to insure and maintain the asset.
- You should seek independent advice to determine if this product is suitable for you.
- All statements concerning taxation are based on best understanding of current legislation. Levels and bases of taxation can change at any time. The contents of this factsheet do not constitute legal, tax, financial planning or any other advice.
- Available to over-18s only. Security and/or guarantees and indemnities may be required. Lending criteria, terms and conditions apply. Subject to Credit Approval. Lending is for business purposes only.

## Product Specifications

Ownership	You will not own the asset
Repayment type	Rentals
Interest type	Fixed
Currency	Euro

For more information and to find out how we can help, log onto <https://digital.ulsterbank.ie/business/loans-and-finance.html>

**WARNING: YOU MAY HAVE TO PAY CHARGES IF YOU REPAY EARLY, IN FULL OR IN PART, A FIXED-RATE CREDIT FACILITY.**