



Ford Credit



## Understanding Vehicle Finance

For most people, purchasing a vehicle is their second biggest financial commitment after buying a house. Most of us need to borrow money to purchase a house and the same is true when purchasing a vehicle.

When you finance the purchase of a vehicle, the money you borrow is commonly called capital. Interest is normally charged on this capital and the interest charges you pay will be determined by the interest rate and the period over which you borrow the capital. Each instalment you make will consist of capital, interest and fees.

A monthly fee will be charged by lenders to service the loan as well as a once-off fee to set-up the loan. If the loan is repaid early then you may be charged an early settlement fee.

If you plan to finance the purchase of your new vehicle then there are many things to consider:

### For Example:

- Can I **afford** the monthly instalments?
- How much of a **deposit** will I need?
- Can I afford the **operating costs** of the vehicle which include fuel, insurance and maintenance?
- Is the **interest rate** being charged competitive?
- What is the **total cost** of borrowing, including all charges?
- Over what **period** do I wish to take the finance?
- Do i understand that if I take finance term over a **long term**, I will pay more in interest charges and monthly fees?
- Do I plan to **keep the vehicle** at the end of the finance period?

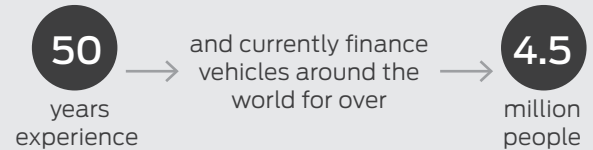
Your loan will be secured against the vehicle and, if you wish to take ownership of the vehicle then the loan must be fully settled.

Your Ford Dealer finance professional will assist with answering these questions and will make the process of purchasing your vehicle a seamless experience.

## Why Finance with Ford Credit?

Ford Credit is one of the world's largest automotive finance providers backed by a manufacturer.

Globally, we have over



We have operated in South Africa for over 20 years and know our customers' needs very well.

Our expertise is your reassurance that you are entering into a relationship with a partner you can trust.

## Our Products

We offer three finance products, each of which is designed to help you purchase the Ford vehicle you desire.



Ford Options



Instalment Sale



Balloon Instalment Sale

Our finance products can each be tailored to suit your specific financing needs and are available over a variety of terms. Take a look at our website for more information: [www.fordcredit.co.za](http://www.fordcredit.co.za). Terms and conditions apply.

We also offer a range of value-added products which are designed to reduce future expenses you might incur.

Via Ford **Protect**, we are able to offer **Maintenance Plans, Extended Service or Warranty Plans, Tyre & Rim, and DentCARE** products, to name just a few.

If you are a recent graduate, our **Graduate Purchase Programme** is designed to help you get behind the wheel of your first new Ford.

Don't forget to ask your Ford Dealer if there are any special promotions which are available from Ford **Credit** as these will reduce the cost of financing your new vehicle.

## YOUR GUIDE TO VEHICLE FINANCE FOR INDIVIDUALS

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## Ford Options



Deposit + Monthly Repayments & Guaranteed Future Value

### Product Overview

Ford **Options** is our latest product and is unique in that we guarantee\* the future value of the vehicle, giving you peace of mind and security. The product is available on new vehicles only and gives you the option to **RENEW** (trade-in), **RETAIN** (own) or **RETURN** (give back) the vehicle at the end of your agreement.

### Features

- Designed to help you drive a new Ford vehicle more often.
- Available for individuals and sole traders.
- Available on terms of 24, 36 and 48 months.
- Suitable for people driving between 10 000 and 40 000km per year.
- The future value of your vehicle is guaranteed\*, providing you peace of mind and security.
- Available with fixed or linked rates of interest.
- Reduces exposure to major service and repair bills.
- Three great options at the end of term: **RENEW**, **RETAIN**, **RETURN** which include the option to own the vehicle.
- Ability to settle the loan at any time – an early settlement fee may apply.

\* T&Cs apply.

### Things to Consider

- Not suitable for people driving high mileages.



## Instalment Sale



Deposit + Monthly Repayments

### Product Overview

Our Instalment Sale product is designed to allow you to fully repay the loan over the desired term and is available on new and used vehicles. The vehicle will belong to you at the end of the finance agreement.

### Features

- Available for natural and juristic persons.
- Available on terms of 24, 36, 48, 60 and 72 months.
- Available with fixed or linked rates of interest.
- You will own the vehicle at the end of the finance agreement so long as all payments have been made.
- Ability to settle the loan at any time – an early settlement fee may apply.

### Things to Consider

- If you wish to trade-in the vehicle at the end of the finance agreement, the trade-in value is not guaranteed as is the case with Ford **Options**.



## Balloon Instalment Sale



Deposit + Monthly Repayments & Balloon Payment

### Product Overview

Our Balloon Instalment Sale product is designed for people for whom a low monthly payment is the single most important requirement. The product is available on new and used vehicles. The vehicle will belong to you at the end of the finance agreement.

### Features

- Available for natural and juristic persons.
- Available on terms of 24, 36, 48, 60 and 72 months.
- Available with fixed or linked rates of interest.
- You will own the vehicle at the end of the finance agreement so long as all payments, including the balloon payment (due as the final instalment and up to 35% of the loan value) have been made.
- Ability to settle the loan at any time – an early settlement fee may apply.

### Things to Consider

- The balloon amount is not a Guaranteed Future Value, as is the case with Ford **Options**. It is possible that the balloon payment is greater than the market value of the vehicle at the end of the agreement. This will leave you with a shortfall.
- You will repay capital more slowly with this product compared to our other two products and correspondingly more in interest charges.