

ALPHERA Financial Services.

Settlement Loans.

Settlement Loans are designed to support customers where they do not have sufficient equity to settle their existing vehicle agreement (whether funded with BMW Group Financial Services or a third party). A Settlement Loan can be an option for a customer where voluntary termination is not the best course of action. We will only fund the customer's own negative equity and this product cannot be used for any other purpose.

Key Information

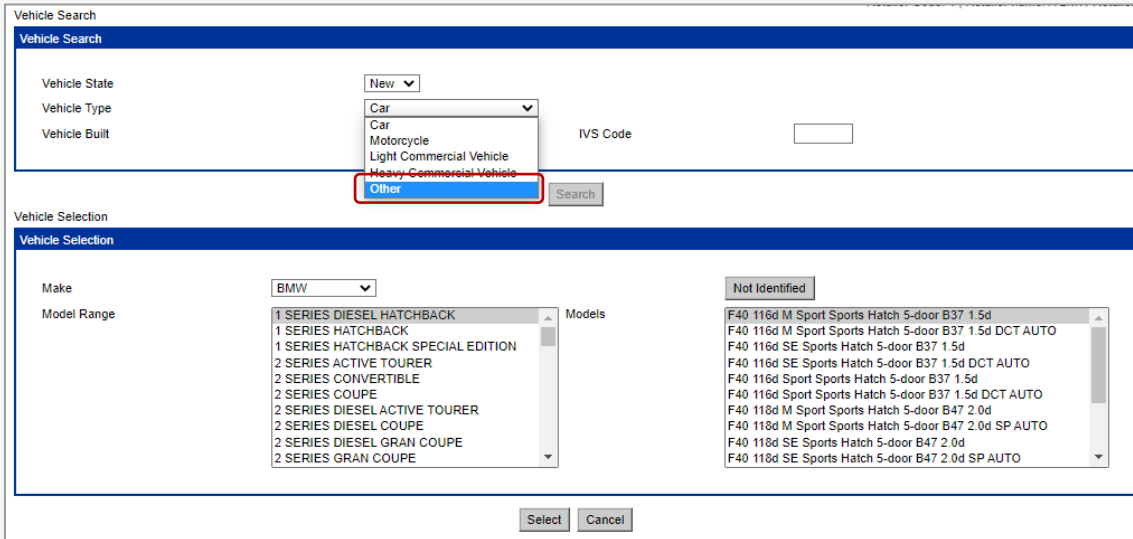
Minimum Term:	12 months
Maximum Term:	60 months
Minimum Loan:	£ 500.00
Maximum Loan:	£ 5,000.00 (if over £3,000.00 then maximum is either £5,000.00 or 20% of the purchase price of the vehicle, whichever is less).

- Private Individuals and Sole Traders Only.
- Settlement Loan applications will result in an additional credit check for the customer as this will be a separate loan agreement to the main vehicle agreement.
- The Settlement Loan cannot exceed the term of the vehicle proposal.
- The proposal for the Settlement Loan must be submitted to Underwriting within 30 days from the submission date of the 'accepted' main vehicle finance proposal that it will be linked to. If the main vehicle finance proposal has been paid out, you will be unable to apply for a Settlement Loan.
- Settlement Loans must be submitted to Payout at the same time as the main vehicle finance proposal.
- The Settlement Loan will not require a separate invoice. It must appear on the main vehicle invoice with the amount being funded on the Settlement Loan shown as 'Settlement Loan' (the Settlement Loan may be handwritten on the invoice). No other figures on the invoice can be manually amended.
- The total cash price on the main vehicle invoice must total the amount funded on the main vehicle finance agreement. Please refer to the [examples](#) within this guide for further information.
- No deposit (cash or manufacturer support) can show at all on either the main vehicle proposal or on the Settlement Loan. If there is any contribution available then this must be used to reduce the Settlement Loan outside of FAMOS.
- The term 'Negative equity' must not be shown on the main vehicle application

The following pages provide guidance on how to quote and propose an Settlement Loan in FAMOS.

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Step 1: Select 'Other' from the Vehicle Type dropdown box



Vehicle Search

Vehicle State:

Vehicle Type:

Search

Vehicle Selection

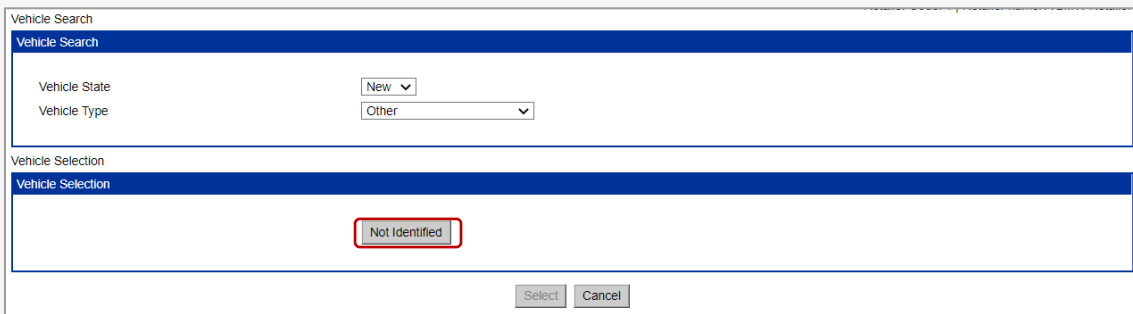
Make:

Model Range:

Models:

Select Cancel

Click on 'Not Identified' in the Vehicle Selection box:



Vehicle Search

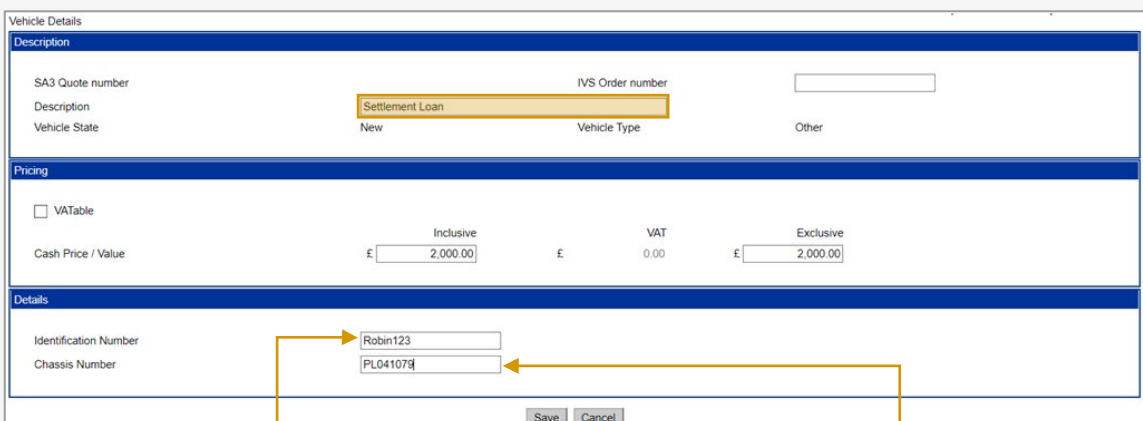
Vehicle State:

Vehicle Type:

Vehicle Selection

Select Cancel

Step 2: FAMOS description must show 'Settlement Loan'



Vehicle Details

Description

SA3 Quote number:

IVS Order number:

Description:

Vehicle State: Vehicle Type: Other:

Pricing

VATable

Cash Price / Value: Inclusive VAT Exclusive

Details

Identification Number:

Chassis Number:

Save Cancel

Enter the first 5 letters of customer surname followed by 123 e.g. ROBIN123, or the full surname if less than 5 letters e.g. LIN123

Enter "PL" followed by the customer's date of birth e.g. PL010679

Once done, click "Save".

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Step 3: Select your Settlement Loan product from the 'Personal Loan' dropdown menu.

Back to Homepage

Change Vehicle

Change Product

- Personal Loan
- Alpha Bike Accessory Loan
- Alpha Bike Settlement Loan**

Other Quotations

Documents Printed

Status QUO - Quotation

Customer Details

Name	undefined (Unidentified)	Postcode	
Customer Type	Individual	Telephone No.	
Address			
Guarantor	Please identify the customer to add a guarantor		

Quotation Number 0015673229 Selected Sequence 1 - null

Vehicle

State	New	Price (ex. VAT)	£ 2,000.00
Make		VAT	£ 0.00
Model	Settlement Loan	On the Road Cash Price (inc. VAT)	£ 2,000.00
Type	Other		

Product

Name		Initial Payments	
Deposit (Applied to the Vehicle)	£	Regular Payment	£
Term (Months)			
Frequency			
Total Non-Vehicle Items	£		

Invalid calculation

Copy Delete Compare Notes Follow-Up NFA

Step 4: Enter the required term and calculate the payment by clicking

BMW FS Accessory Loan

Accessory Loan - Leathers, Panniers

Cash Price	£ 2,000.00	Annual Mileage	
Customer Deposit	£ 0.00	Term (Months)	24
Deposit Percentage	0.00 %	Initial Payments	0
Part Exchange Allowance	£ 0.00	Regular Payment	£ 90.37
Finance Settlement	£ 0.00	Frequency	Monthly
Balance to Finance	£ 2,000.00		
APR	082		
Credit Arrangement Fee (first instalment)	£ 0.00		

Services

Selected	Description	Details	Info
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Subsidy

None

Save Rate Profiling Cancel Print

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Settlement Loan Scenarios.

Scenario 1: Positive Contra

If the balance to finance is equal to or higher than the settlement figure, you are able to settle the customer's previous BMW Group FS Finance agreement via contra settlement.

Please find an example on how to present the invoice for payout:

	Main Vehicle Invoice	FAMOS
Total Cash Price	£70,134.00	£70,134.00
Part Exchange	£46,726.00	£50,010.00
Part Exchange Finance Settlement	£52,010.00	£52,010.00
Negative Equity	£5,284.00	£0.00
Customer Payment 'Deposit'	£2,000.00	£2,000.00
Settlement Loan Value	£3,284.00	*Add to Part Ex value (=£50,010.00)
Balance to Finance in FAMOS	£70,134.00	

Scenario 2: Negative Contra

In the case where a customer cannot contra settle because there is a negative contra or a third party settlement, you will need to settle the customer's old agreement via BACS/ CHAPS.

Please find an example on how to present the invoice for payout:

	Main Vehicle Invoice	FAMOS
Total Cash Price	£28,945.00	£28,945.00
Part Exchange	£40,500.00	£0.00
Part Exchange Finance Settlement	£45,560.00	£0.00
Negative Equity	£5,060.00	£0.00
Customer Payment 'Deposit'	£2,560.00	£0.00
Settlement Loan Value	£2,560.00	£0.00
Balance to Finance in FAMOS	£28,945.00	