

## Contract Purchase

# A simple and cost effective way to purchase vehicles.

Contract Purchase offers fixed monthly payments which allow you to manage your fleet costs effectively, and you can purchase the vehicle at the end of the contract by making a 'balloon' payment.

### What is Contract Purchase?

As a conditional sale agreement, Contract Purchase is an on-balance sheet method of funding, where you purchase the vehicle at the end of the contract by making a 'balloon' payment.

Alternatively, we can buy the vehicle back at the 'balloon' value and remove any risk on the residual value.

### The benefits.

If your company is restricted in the amount of VAT it is able to reclaim, Contract Purchase could be the ideal product for you.

As with many of our funding methods you can benefit from our purchasing power and industry experience to make sure you are running your fleet as effectively as possible. It offers on balance sheet funding while removing the uncertainty of residual value fluctuations.

### Contract Purchase includes:

- Total vehicle management package including funding and optional maintenance
- CO<sub>2</sub> linked capital allowances
- No VAT attracted to rentals – VAT is only chargeable on the service element of the rental
- Flexible terms and mileage – minimum 24 months to a maximum of 60 months
- Fixed payments
- Low monthly payments due to purchasing power and residual value
- Pooled mileage available
- Option to include a replacement vehicle if vehicle becomes unfit for use through theft, accident, repair or mechanical failure.

### How it works.

Contract Purchase is only available to Corporate entities due to legal restrictions.

For further information on Contract Purchase please contact your Relationship Manager or

call: 0800 085 4128

email: [marketing@lexautolease.co.uk](mailto:marketing@lexautolease.co.uk)

or visit: [www.lexautolease.co.uk](http://www.lexautolease.co.uk)