

## PLATINUM MOTOR GROUP COMMISSION DISCLOSURE PROCEDURE

### Introduction

With effect from the 28<sup>th</sup> January 2021, the FCA implemented new rules which banned discretionary commission models and made changes to the manner in which we disclose commission to customers. Since the new rules were published in 2021, and as a result of a High Court Ruling in October 2024, it has been necessary to implement further changes to our commission disclosure procedure.

These changes require us to disclose the:

**“existence and nature of commission or other remuneration payable, the amount of commission we will receive and the method used to calculate the commission”**

To take into account these changes, our commission disclosure statement has been up-dated on our Initial Disclosure Document (IDD) and additional lender information has been included in the Service Provision section.

It is vital that you understand the new rules relating to Commission Disclosure and follow the procedure highlighted below as a demonstration of your competence and good conduct.

Failure to follow the procedure could lead to poor outcomes for our customers, put our business at risk and would demonstrate poor conduct.

### Why is this so important?

Commission disclosure has been a requirement under legislation for a long time, however the changes under the new rules include the following:

- Commission should be disclosed because it could have a “material impact on the customer’s transactional decision to enter into the credit agreement or the consumer hire agreement”.
- Commission should be disclosed to customers in good time and prior to proposing a credit application.

To ensure that we can confirm and evidence that commission disclosure was made, in the correct manner and in plenty of time prior to proposing a customer on finance, please follow the below process:

# PLATINUM MOTOR GROUP COMMISSION DISCLOSURE PROCEDURE

## IDD

Prior to funding discussions and quotations, ensure that the customer receives a copy of our Initial Disclosure Document (IDD) by either hard copy in the showroom or by email from the Autoprocess System.

A verbal summary of our IDD content must be given in good time before any discussions on quotations or funding take place.

\*(Please see an example of a verbal delivery below).

## QUOTATIONS

(Ensure that you present customers with comparison quotes)

## COMMISSION DISCLOSURE FORM

Complete a Commission Disclosure Form and gain customer consent

(complete either a Platinum CDF or a finance company form depending on your franchise)

Ensure that you prominently disclose the existence, nature, and amount of any commission or other remuneration we receive from a lender or third party. The goal is to ensure customers have a clear understanding of the financial arrangements before making a decision. The customer must sign and date the document. Please give a copy to the customer to take away and retain a copy in the customers deal file. PFS will require a copy of the CDF prior to proposing customers to a lender.

## FINANCE PROPOSAL & APPLICATION

Once the customer has approved the commission amount the finance proposal and application stage can be completed.

Finance application  
**ACCEPTED**

Finance application  
**DECLINED**

### Application

Figures changed prior to handover that create a new finance commission amount.

### Application

No changes to figures prior to handover. Commission amount remains the same.

Obtain customer consent to try another finance provider.

Customer wishes to try another provider.

New commission disclosure from required.

Existing commission disclosure forms remains in place.

Finance application amended with new figures.

Finance documents signed and delivery arranged.

Finance documents signed and delivery arranged.

\* Example of a verbal delivery:

‘As I mentioned before, we are authorised by the Financial Conduct Authority and as such there are a number of important things for me to let you know and to explain that we will ask questions in regard to your requirements to help you to make an informed decision on your purchase’ *(this is good signposting for forward qualification questions)*

‘We work with a limited number of lenders to help you with your funding requirements, if you decide to take out an agreement with one of those lenders, they will pay us a fixed commission or a fixed percentage of the amount you borrow for introducing you. Different lenders pay different commission for such introductions. We feel it is important for you to understand that it does not affect the amount you pay on your HP or PCP agreement and that any interest rate is set by the lender. The exact amount of finance commission will be provided to you in good time prior to proposing your application to the finance company. We will always ensure you have a clear view of the finance charges in case you have any questions before you decide to proceed.

The Initial Disclosure Document gives further detail on our authorisation in case you wish to check. We also want to make sure that if you have any complaints about our service or products you know who to speak to, though of course I am always here to help’.

## Summary

By following the procedure above with good conduct, we can be sure that we are creating the right outcomes for our customers.

Though verbal delivery cannot always be evidenced, this should be provided at all times. The FCA do undertake mystery shops and commission disclosure is high on their oversight agenda. This will also be a part of future competence assessments which support your development and our evidence of good conduct.

The following are commission disclosure forms that are currently used across The Platinum Motor Group.





**Platinum**

MOTOR GROUP

## COMMISSION DISCLOSURE FORM

Name of Dealership \_\_\_\_\_

We are a motor finance dealer and a credit broker, and we have relationships with a number of lenders which could include preferential terms such as a requirement to submit an application to them first or exclusively. We are not providing you with independent financial advice and are not impartial. You can ask us for more information about the lenders we work with.

If you enter into an agreement with one of our lenders, they will pay us a commission, fee or other remuneration. This will be based on a fixed amount in pounds and pence and/or a fixed percentage of the amount financed.

The amount of commission \_\_\_\_\_ will pay us for your completed finance agreement is:

£

☐

If no commission is payable, I confirm this has also been drawn to my attention and is detailed in this document.

☐

I confirm, I am giving my consent to the commission arrangement, in advance of being proposed to a lender and in advance of entering into my loan agreement with \_\_\_\_\_

You are entitled to ask more questions and if you do, we are required to provide you with an answer. We cannot proceed with the proposed agreement unless you provide your consent to this commission arrangement.

Do you feel that you have enough information to proceed and are you happy to do so on this basis?

☐

Yes, I confirm that I wish to proceed, and I understand the information about the commission arrangements.

☐

No, I confirm that I do not wish to proceed.

Customer Name/Signature \_\_\_\_\_

Proposal Number/Date \_\_\_\_\_

Platinum Motor Group is a trading name of Renrod Limited. Registered Office, Platinum Motor Group, Unit 12 Meridian Business Park, North Bradley, Trowbridge. BA14 OBJ. Registered in England No. 1210595. VAT Registration No. 821 9379 14. Renrod Ltd t/a Platinum Motor Group is authorised and regulated by the Financial Conduct Authority. FRN: 689306. We are a Credit Broker not a Lender and can introduce you to a limited number of lenders. An introduction to a lender does not amount to independent financial advice. Our approach is to introduce you first to the relevant manufacturer supporting finance company. If they are unable to make you a finance offer, we will inform you and request your permission to submit a proposal to another of our lenders. Please ask for a list of our funding partners. Lenders pay a fixed commission to us for introducing you to them, calculated by reference to the vehicle model or amount you borrow. Different lenders pay different commissions for such introductions and our manufacturer supporting finance companies also provide funding for our vehicle stock and financial support for our training and marketing. However, any such amounts they and other lenders pay us will not affect the amounts you pay under your finance agreement, all of which are set by the lender concerned. Renrod Ltd t/a Platinum Motor Group is an Appointed Representative of AutoProtect (MBI) Limited for General Insurance distribution purposes which is authorised and regulated by the Financial Conduct Authority for Insurance Distribution (Firm Reference Number 312143). You can check this on the FCA Register by visiting [www.fca.org.uk](http://www.fca.org.uk)



# COMMISSION DISCLOSURE DECLARATION

## TO BE COMPLETED BY THE DEALER:

Dealer name:	
Finance Agreement proposal number:	

Commission types include **fixed cash amounts** (Fixed Commission means that the dealer is paid a fixed fee independent of the interest rate) and **percentage purchase commission** (commission calculated as a percentage of the amount borrowed). The dealer is acting independently of the lender. Any commission or fees paid does not directly impact the amount paid by the customer. No additional fees are paid by the customer to the lender. All commission and/or fees paid are set out in the table below.

Commission paid to	Fixed or percentage amount*	Commission amount (GBP) **
Dealer		£
Head office (HO), if applicable		£
Other, if applicable:		£
		£
		£
Document/Admin fee		£
Total amount of commission/fees paid		£

\*Please state percentage amount as a % of the amount borrowed, e.g., 1%

\*\*Where the commission or fee payment does not apply, state "£0.00".

Dealer signature:	
Print name:	
Date:	

## TO BE COMPLETED BY THE CUSTOMER:

I am the customer named below (as stated in the I. D. provided to the Dealer) and confirm that I have been informed, and have read and understood (and have had time to ask any questions that I may have), the full commission amount (s) paid for the arrangement of my Mobilize Financial Services Finance Agreement as set out above.

I also confirm that I have entered into the Finance Agreement in full acknowledgement of this commission payment being made (and I agree for it to be made) and agree that the Finance Agreement remains suitable for my demands and needs. I understand that you will not enter into the Finance Agreement unless you receive this form signed by me.

### Right of Withdrawal

Under the Consumer Credit Act 1974 you have 14 days to withdraw from your Finance Agreement if you change your mind. The 14-day withdrawal period starts from the day after the date of your Agreement and ends 14 days later. To withdraw you must notify us in writing to using the address shown at the top of your Agreement.

If you withdraw, you have to repay the total amount borrowed along with any accrued interest (at the interest rate shown on your Agreement) to the date that you repay and no later than 30 calendar days beginning from the day after the day you give notice to withdraw.

As you used the finance to purchase your vehicle you would still need to find some other way to pay for your vehicle.

Customer signature:	
Print name:	
Date:	

Please ensure the above signatory matches the named customer(s) or named Director(s) and signatories on the Finance Agreement.

# Finance Agreement proposal number: **COMMISSION DISCLOSURE**

## **DECLARATION**

### **TO BE COMPLETED BY THE DEALER:**

Dealer name:

Commission types include **fixed cash amounts** (Fixed Commission means that the dealer is paid a fixed fee independent of the interest rate) and **percentage purchase commission** (commission calculated as a percentage of the amount borrowed). The dealer is acting independently of the lender. Any commission or fee paid does not directly impact the amount paid by the customer. No additional fees are paid by the customer to the lender. All commission and/or fees paid are set out in the table below.

Commission paid to	Fixed or percentage amount*	Commission amount (GBP)**
Dealer		£
Head office (HO), if applicable		£
Other, if applicable:		£
		£
		£
<b>Document/Admin fee</b>		£
<b>Total amount of commission/fees paid</b>		£

\*Please state percentage amount as a % of the amount borrowed, e.g., 1%

\*\*Where the commission or fee payment does not apply, state "£0.00".

Dealer signature:	
Print name:	
Date:	

### **TO BE COMPLETED BY THE CUSTOMER:**

I am the customer named below (as stated in the I.D. provided to the Dealer) and confirm that I have been informed, and have read and understood (and have had time to ask any questions that I may have), the full commission amount(s) paid for the arrangement of my Mobilize Financial Services Finance Agreement as set out above. I also confirm that I have entered into the Finance Agreement in full acknowledgement of this commission payment being made (and I agree for it to be made) and agree that the Finance Agreement remains suitable for my demands and needs. I understand that you will not enter into the Finance Agreement unless you receive this form signed by me.

#### **Right to Cancel**

As you financed your vehicle over the phone or online, you have the right to cancel your agreement if you change your mind. You will need to cancel before the end of the 14 calendar days beginning the day your Agreement was made. If you wish to cancel you must give notice by email at [customerservices@mobilize-fs.com](mailto:customerservices@mobilize-fs.com) or telephone 0333 009 0231. Your vehicle must be immediately returned to us.

Customer signature:	
Print name:	
Date:	

Please ensure the above signatory matches the named customer(s) or named Director(s) and signatories on the Finance Agreement.

Hyundai Capital UK

Floor 2, London Court, 39 London Road, Reigate, RH2 9AQ

E [Contact@uk.hcs.com](mailto:Contact@uk.hcs.com) / [www.hyundaicapital.co.uk](http://www.hyundaicapital.co.uk)**Credit Broker/Intermediary Commission and Remuneration**

Name of Credit Intermediary	
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We are a motor finance dealer and a credit broker and we have relationships with a number of lenders which could include preferential terms such as a requirement to submit an application to them first or exclusively. We are not providing you with independent financial advice and are not impartial. The finance product we are offering to you, in respect of which we will be paid a commission by the lender, may therefore not be the best financing option available to you. We have referred your proposal to Hyundai Finance who does not know the details of any relationships we have with other lenders. You can ask us for more information about the lenders we work with.

If you enter into the agreement with Hyundai Finance, they will pay us a commission, fee or other remuneration. This will be based on a fixed amount in pounds and pence and/or a fixed percentage of the amount financed. The amount of commission Hyundai Finance is paying us for your agreement is £

As part of the interest charged to you in your repayments to Hyundai Finance, you'll pay them for their costs including the commission they pay to us.

You are entitled to ask more questions and if you do, we are required to provide you with an answer. We cannot proceed with the proposed agreement unless you provide your consent to this commission arrangement and the potential conflict of interest it generates.

Do you feel that you have enough information to proceed and are you happy to do so on this basis?

Do you provide your consent?

**Please select:**

- ☐ Yes, I confirm that I wish to proceed, and I understand the information about the commission arrangements and potential conflicts of interest provided above.
- ☐ No, I confirm that I do not wish to proceed.

Customer Name   Signature		
Unique Ref. or Proposal No.   Date		



## Commission Disclosure Declaration

**Customer Name:**

**Proposal Number:**

We Platinum Skoda

may introduce a finance application to Volkswagen Financial Services (UK) Limited ("VWFS") on your behalf. We will provide the details of the product they offer. We may also provide you with details of products offered by other lenders. This will not amount to independent financial advice.

VWFS will pay us a commission for introducing you to them. This will be paid either as a fixed amount or a fixed percentage of the amount financed. The amount of that commission is as follows:

Other Commission  
Payable from VWFS:

**Fixed Cost Maintenance**

**Vehicle Details**

**Finance Product**

**Finance Commission**

Different lenders may pay different commissions, and the terms of the finance offer presented to you may only be available based on the amount of the commission that we receive. For example, if you determine that you do not wish to proceed with the finance proposal presented to you because of the commission amount we receive, this may mean that not all features of the finance offer will be available to you if a lower commission is paid. In all cases, the amount of the commission we receive does not affect the amount you pay to VWFS under your finance agreement.

### YOUR CONSENT

By signing below, you confirm that you have read the statement above concerning the payment of a commission in relation to your finance / lease agreement and consent to its payment to us.

**Signed by applicant**

**Applicant name:**

**Date:**