

# CODE OF CONDUCT

# Leasing broker

Updated January 2019



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## Introduction

**The BVRLA is the UK trade body for companies engaged in the leasing, rental and fleet management of cars and commercial vehicles for both corporate and consumer users.**

This Code of Conduct sets out the standards the BVRLA expects its members to achieve in all aspects of the brokering of leased vehicles. It applies to any leasing transaction taking place in the UK.

BVRLA membership assures the customer that they should expect the highest levels of professionalism and integrity when using a BVRLA member.

The BVRLA promotes ethical trading, clear pricing, transparent terms and conditions, and high-quality vehicles and customer service standards. This Code sets out the standards that its members shall comply with regarding:

- ⊙ pre-contract procedures;
- ⊙ support during the contract;
- ⊙ end-of-contract procedures;
- ⊙ complaint handling.

The BVRLA monitors adherence to the Code by its members. This governance covers documentation and customer service standards. Members must also participate in the BVRLA Dispute Resolution Service, which provides a channel for members and their customers to help resolve disputes.

Adherence to this Code of Conduct is a condition of membership and breaches of will result in action being taken. Serious breaches may result in expulsion from the BVRLA.

## Principles

**BVRLA leasing broker members agree to abide by the following principles:**

- 1** To provide clear pricing for all products and services sold via any sales channel, printed or digital, which promotes a member's products.
- 2** Not to misrepresent any information about their products or services.
- 3** To behave at all times with integrity and ensure that any agents working on their behalf also follow the standards set out in this Code of Conduct.
- 4** To understand and comply with all rules and regulations relating to the service or product provided.
- 5** To provide customers with the information they need to make an informed decision about the product/service offered.
- 6** To operate from an established place of business that is maintained to a professional standard.
- 7** Not to use any advertising material containing misleading or inaccurate statements and to comply with the codes and standards set by the regulators.
- 8** To resolve customer complaints according to the standards set out in this Code of Conduct.
- 9** To ensure that employees, where appropriate, are adequately trained to a standard that enables them to adhere to this Code of Conduct.
- 10** To display the BVRLA logo.

## Core standards

### Statutory controls and regulations

Members must comply with all relevant legislation and regulation. Members must, where applicable, hold all necessary licences and registrations to trade lawfully and be able to present these to customers as and when requested.

### Financial Conduct Authority authorisation

All members who transact business which is covered by the Consumer Credit Act must be regulated by the Financial Conduct Authority and display “Authorised and regulated by the Financial Conduct Authority” on all company stationery, advertising and promotional material relating to regulated credit business.

### Misrepresentation or misleading statements or practices

Members must not mislead the customer or provide inaccurate statements regarding their products and services.

Leasing broker members must not vary the terms of the leasing or finance company’s standard agreement without prior written agreement from the finance company. A leasing broker must not misrepresent any such terms nor claim to be a leasing company.

### Internal supervision and auditing of sales process

Members should ensure processes are in place to train and supervise their sales staff to ensure no mis-selling of products or services takes place.

Those members who operate with Appointed Representatives (ARs) are held equally accountable for any actions of their ARs, which are reasonably deemed to be contrary to this Code of Conduct or FCA rules.

Mis-selling would include, but is not limited to, the following: incorrect advice, false information and deliberately misleading the customer about the benefits of the product.

## The contract: before, during and after

### Contracts, quotations and orders

Members are required to provide customers with a clear written contract for any products and services provided, which should include details of all charges payable by the customer for agreeing to use the member's and/or the finance company's products and services.

Where applicable, the contract for providing products or services must be kept separate from both the vehicle finance quotation and the vehicle lease/finance arrangement. This is particularly important where a fee is charged for cancelling the brokering service.

All order documents should set out, in full (as applicable):

- ⊙ details of the vehicle being ordered;
- ⊙ the period of the vehicle lease/finance agreement;
- ⊙ the amount and frequency of payments required, including a breakdown of what the first initial rental payment covers;
- ⊙ annual or total contract mileage allocation and rate of any excess mileage;
- ⊙ any additional services included;
- ⊙ the return standards and procedures to be applied by the company financing or leasing the vehicle.

Members should provide written details of any circumstances under which the payments or vehicle specification may change before delivery of the vehicle to the customer.

Members should advise the customer, in advance, of the point at which they will be in breach of the leasing or finance agreement due to a late or incorrect (ie lower) payment and the implications of not keeping up with payments, ie vehicle repossession and or legal proceedings.

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## **The contract: before, during and after (continued)**

### **Customers' right to cancel**

Where applicable, members must advise customers of their cancellation rights and policy before they enter into any contractual agreement, including the cancellation rights relating to the lease or finance agreement.

The member must explain the period of time a customer has in which to decide whether or not to use the broker service provided (the 'cooling off period'), and if there are any charges payable for cancelling the service.

### **Contracts (including payment terms)**

Customers must be supplied with copies of all the contracts they enter into. Contracts may be supplied in printed or electronic formats. All variations to contracts must be signed in writing by both parties.

Members must, where appropriate, supply all documentation to customers, including pre-contract information.

### **After-sales customer service**

Customers can expect members to deal with all after-sales issues professionally and fairly and acknowledge all queries within seven working days of receipt. For example, processing requests for early termination, contract rescheduling (where available), and all other aspects of after-sales care and queries.

### **End-of-contract and restoration charges**

Before the end of the lease or finance agreement, members should support their customers to ensure they are aware of the return standards in place for a vehicle at the end of the agreement.

## Complaint handling

**Complaints should be resolved quickly and amicably.**

All staff should be aware of the company's complaint-handling procedures and staff dealing with complaints should respond swiftly, paying particular attention to:

- ⦿ advising customers of the complaints procedure, how to use it and what additional options are available to them;
- ⦿ treating complaints seriously and dealing with them in a positive and friendly manner;
- ⦿ issuing an acknowledgement of every complaint, regardless of how it is received, within five working days of receipt, with the objective of resolving the dispute within 30 working days;
- ⦿ learning from all complaints and responding proactively to prevent similar incidents from occurring;
- ⦿ maintaining a complete record of all complaints.

The member shall provide the customer with details of their complaint procedure. If no agreement can be reached the member will provide information regarding alternative dispute resolution options, including the BVRLA's Dispute Resolution Service.



## Dispute Resolution Service

Unresolved disputes may be referred to the BVRLA by either the customer or the member involved.

Details should be submitted online at <https://bvrla.co.uk/consumer-advice/making-a-complaint-adr.html>

If the customer does not have access to the internet, details can be sent by post to:

**British Vehicle Rental & Leasing Association  
River Lodge, Badminton Court  
Amersham, HP7 0DD**

The BVRLA will aim to resolve the matter using the information presented by both parties to the dispute. Any information requested from the member should be sent to the BVRLA within five working days. Based on the information available, the BVRLA will provide both parties with its findings and recommendations.

The BVRLA aims to resolve complaints through the Dispute Resolution Service within 30 days.

Members must comply with the Dispute Resolution Service's findings.

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## Dispute Resolution Service (continued)

### What is covered under the Dispute Resolution Service?

The Dispute Resolution Service will investigate potential breaches of this Code of Conduct, which sets out the standards the BVRLA expects from its members. The Dispute Resolution can only look at matters that relate to disputes arising from the activities of BVRLA members.

### Refunds

Where the Dispute Resolution Service finds in favour of the customer we will look to ensure that any unjustified charges incorrectly raised by the member are credited in full. The service cannot adjudicate on the quantum of the amount charged, only on whether the charge was correctly raised.

### Compensation

The Dispute Resolution Service does not have any jurisdiction to award compensation payments.

### No restriction of rights

BVRLA members must comply with the rulings of the Dispute Resolution Service. Use of the Dispute Resolution Service does not restrict the rights of a complainant to pursue remedies through the courts.

### Monitoring and compliance

The BVRLA's continual monitoring and internal procedures are aimed at ensuring that members meet their obligation to comply with this Code of Conduct.

## Leasing Broker Charter

The BVRLA's Leasing Broker Charter applies to all members offering a brokering service and forms a brief summary of the specific terms found in this Code of Conduct.

**As a member of the British Vehicle Rental & Leasing Association we pledge to provide for our customers:**

- ⦿ a clear contract for the product or service we are providing, and a clear statement of any associated costs for our service and your rights to cancel the service;
- ⦿ a clear and accurate summary of the leasing or finance terms;
- ⦿ efficient and professional handling of any after-sales requirements;
- ⦿ commitment to the British Vehicle Rental & Leasing Association's Leasing Broker Code of Conduct;
- ⦿ an effective complaints procedure with access to the Dispute Resolution Service administered by the British Vehicle Rental & Leasing Association.

**British Vehicle Rental & Leasing Association**

River Lodge, Badminton Court, Amersham, Buckinghamshire HP7 0DD

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