



Press Release: 15th October 2019

FCA Announces Plans to Improve Protections for Motor Finance Customers

15 October 2019

S&U plc, the owner of used car lender Advantage Finance, has welcomed today's announcement by the FCA that it is now consulting on plans to ban commission types where the dealer or broker can influence the interest rate paid by the customer. This follows on from findings within the FCA's motor finance review published in March of this year.

The review concluded that commissions of this nature can lead to poor customer outcomes by way of increased repayment costs.

S&U plc has confirmed that its motor finance business, Advantage Finance, has never offered the types of commission arrangements referred to by the FCA in this morning's announcement.

Keith Charlton, Compliance Director at Advantage Finance, commented:

"Following my comments earlier this year regarding the original publication of the FCA's market study, we positively welcome this announcement.

Here at Advantage Finance, we have never operated any form of means for our brokers to influence the prices that our customers pay because we set the rate based upon our assessment of risk alone.

This results in a better overall deal for our customers and it is therefore welcomed news for consumers in general that the rest of the industry is now being required to follow suit."