

Sales and Operations
Commercial Equipment Leasing Seminar

Presented by
Mr. Terry Winders

Day One: Morning: 8:30AM

- I What is a lease?
 - 1. Ownership
 - 2. Use vs. Title vs. Possession
 - 3. Loan vs. Lease vs. Rent

- II Language of Leasing Terms

- III Review of Rules and Regulations
 - 1. Federal Income Tax Rules
 - a. Income vs. expense
 - b. True Lease vs. CSC
 - c. 55-540
 - i. Court changes
 - d. 75-21
 - e. Impact of RR179
 - f. RR467
 - 2. Accounting Requirements
 - a. Lessee Classification
 - i. Capital AB
 - ii. Capital CD
 - iii. Operating
 - 3. Legal Definition
 - a. Article 2
 - b. Revised Article 9
 - c. Article 2A

Lunch time: 12:00 – 1:30

Day One: Afternoon 1:30 PM

- III Structuring/Pricing
 - 1. MISF, IRR, Pricing Programs
 - 2. True income, Tax/Accounting
 - 3. Different lease margins
 - 4. Types of Leases and pricing issues
 - 5. Structured Leases, cash flow
 - 6. End of Lease options/tax and book effect

- a. Return
 - b. Renewal
 - c. Evergreen
 - d. Wintergreen
 - e. Lowered rent
 - f. Purchase
 - i. Bargain Option
 - ii. FMV
 - iii. Fixed Price Purchase Option (FPO)
 - iv. Burdensome buyout
 - v. PUT
 - g. Trade up
 - h. EBO
 - i. Early termination
 - j. Assumptions
 - k. Walk Away
 - l. Closed end/open end
 - m. Extensions
- 7. Fees
 - 8. Grace Periods
 - 9. Uneven Rents
 - 10. Lease-Buy Analysis
 - a. Cash flow
 - b. Term
 - c. Present Value Discount
 - 11. Sale Lease Back
 - a. Legal requirements
 - b. Tax requirements
 - c. Accounting impact

Day Two:	Morning: 8:30 AM
IV	Reasons to lease
V	Questions to ask lessee
VI	Vendor leasing
VII	Vendor programs
VIII	Credit Enhancements <ul style="list-style-type: none"> Cross defaults Cross Collateralization Security deposits Prepaid Rent Additional Collateral

Lease Indentures
Covenants
Deposits
Letter of Credit

Day Two: Afternoon:

VIII Documentation issues

- The Lease Agreement as a Contract
- Article 9 vs. Article 2A
- Credit support and due diligence documentation
 - Guarantees, Letters of credit
 - Joint and several Liability
 - Deposit accounts
 - Advance rents
 - Legal opinions
 - Officer certificates
 - Insurance
 - Special Lease provisions
 - Riders and Clauses
 - Return language
 - Renewal language
 - Inspection requirements
 - Evergreen and Wintergreen Provisions
 - Bundled services
 - Maintenance
 - Licenses
 - Asset Management
- UCC Issues in Deal Structuring and Financing
- Default/Bankruptcy issues
 - Lessor's rights under the Lease
 - Statutory Law
 - Bankruptcy Code
 - Collection strategies
 - Refundable rents

Day Three: Morning: 8:30 AM

- Documenting the lease
 - Acquisition of the equipment
 - Purchase Orders

Assignment agreements
3 party assignments
Bills of Sale
Lessee acceptance documentation
Lender Documentation
 Loans
 Securitization
Asset substitution
Guarantee's
 Corporate
 Personal/Reg. M
Mechanic's Liens

Protecting Residuals

Net lease provisions
Return conditions
RVI insurance
Return inspection
Warranties

Taxes

Income tax
Sales Tax
Property Tax
Use Taxes
Exempt Use Property

Questions and Answer Period

Voluntary 65 Question Test

12:00 Noon Seminar complete