

October 7, 2010

**REMINDER: April 19, 2012**

Dear Commerce National Bank Lessee:

In 2009, Commerce National Bank (CNB) purchased the remaining stream of payments on a portfolio of leases assigned to it by IFC Credit Corporation, Chicago, IL (IFC). As part of the transaction CNB was assigned a security interest in the underlying collateral.

Yours was one of a number of leases we are now billing and collecting; however under the lease, the ownership in the underlying collateral remains with the original Lessor (IFC) until all payments have been made to CNB and IFC receives notice of your intent to exercise your right to the agreed purchase option stated in your contract. This means that although you have made all required lease payments required under the terms of the lease you will not legally own the equipment until you pay IFC the Purchase Option required.

Be advised that the original Lessor, IFC, filed for bankruptcy protection. Once CNB has received all payments due to us, we must return your contract back to the **Bankruptcy Trustee overseeing the Bankruptcy Estate who is responsible for enforcing and collecting all end of term provisions, which in your case is the required Purchase Option, even if it is only for \$ 1.00.**

It has been brought to our attention that the **original lease documents between you and IFC may contain a provision requiring that you as Lessee must send written notice, usually 90-180 days before your lease will expire, clearly stating your intention to exercise the original purchase option you were given. Failure to adhere “exactly” to those provisions will cause the Trustee to enforce the terms stated in the provision requiring you to make continuing monthly payments to them until they receive the proper written notice.**

To prevent this from happening you should read and review your lease agreement very carefully and if your lease contains this type of provision, mark it up and on your calendar, and remember to send whatever written notice is required in a timely manner.

CNB does not track this and it is your responsibility only.

Sincerely:

Robert D. Robichaud, CLP,  
VP Leasing Relations