



PAWNEE

LEASING CORPORATION

 a Chesswood Group Limited company

COVID-19 EDITION

JUNE 2020 BROKER RATE SCHEDULES & GUIDELINES

A Rates - suspended due to COVID-19

B Rate Schedule

C Rate Schedule

Start-Up Rate Schedule

Software-Only Rate Schedule

Medical Program

State and Program Restriction Guide

Tax Treatment Guide

Broker Guidelines

B RATES

App-Only
\$5,000 - \$50,000
EFFECTIVE JUNE 2020



FAIR MARKET VALUE *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	14%	16%	18%	20%	22%	24%	26%	28%	30%
24 months	2 pmt	0.04338	0.04424	0.04510	0.04597	0.04684	0.04771	0.04858	0.04946	0.05034
	1 pmt	0.04480	0.04575	0.04669	0.04765	0.04909	0.05007	0.05104	0.05203	0.05301
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
36 months	2 pmt	0.03121	0.03213	0.03306	0.03399	0.03494	0.03589	0.03685	0.03781	0.03878
	1 pmt	0.03254	0.03353	0.03454	0.03555	0.03709	0.03813	0.03918	0.04024	0.04131
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
48 months	2 pmt	0.02518	0.02615	0.02713	0.02812	0.02913	0.03014	0.03117	0.03221	0.03325
	1 pmt	0.02649	0.02752	0.02858	0.02965	0.03127	0.03238	0.03349	0.03462	0.03576
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
60 months	2 pmt	0.02161	0.02262	0.02365	0.02469	0.02575	0.02682	0.02791	0.02901	0.03012
	1 pmt	0.02291	0.02399	0.02509	0.02621	0.02792	0.02908	0.03025	0.03144	0.03265
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

TERM RESIDUAL LEASE™ *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	14%	16%	18%	20%	22%	24%	26%	28%	30%
22 months	2 pmt	0.04694	0.04771	0.04849	0.04928	0.05007	0.05087	0.05167	0.05248	0.05329
	1 pmt	0.04832	0.04919	0.05006	0.05094	0.05228	0.05318	0.05409	0.05501	0.05593
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
33 months	2 pmt	0.03341	0.03425	0.03511	0.03598	0.03685	0.03774	0.03863	0.03954	0.04045
	1 pmt	0.03469	0.03562	0.03655	0.03750	0.03895	0.03993	0.04092	0.04192	0.04293
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
44 months	2 pmt	0.02671	0.02761	0.02853	0.02946	0.03040	0.03136	0.03232	0.03331	0.03430
	1 pmt	0.02797	0.02894	0.02993	0.03094	0.03248	0.03353	0.03459	0.03567	0.03676
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
55 months	2 pmt	0.02274	0.02369	0.02466	0.02564	0.02665	0.02767	0.02870	0.02975	0.03082
	1 pmt	0.02400	0.02502	0.02606	0.02712	0.02875	0.02986	0.03099	0.03214	0.03330
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

EFA / \$1.00 BUY OUT *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	14%	16%	18%	20%	22%	24%	26%	28%	30%
36 months	2 pmt	0.03341	0.03425	0.03511	0.03598	0.03685	0.03774	0.03863	N/A	N/A
	1 pmt	0.03469	0.03562	0.03655	0.03750	0.03895	0.03993	0.04092	N/A	N/A
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
48 months	2 pmt	0.02671	0.02761	0.02853	0.02946	0.03040	0.03136	0.03232	N/A	N/A
	1 pmt	0.02797	0.02894	0.02993	0.03094	0.03248	0.03353	0.03459	N/A	N/A
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
60 months	2 pmt	0.02274	0.02369	0.02466	0.02564	0.02665	0.02767	0.02870	N/A	N/A
	1 pmt	0.02400	0.02502	0.02606	0.02712	0.02875	0.02986	0.03099	N/A	N/A
	0 pmt	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTE: YIELD FOR 1 ADVANCE PAYMENT FACTORS ARE ADJUSTED FOR RISK AND ARE NOT COMMENSURATE WITH NOTED RATE.

TERMS OF CONSIDERATION

- 2+ years time in business - application-only to \$50,000
- \$1,000 to \$4,999 applications will be considered under "C" pricing
- 10% approval variance on equipment cost
- 15% commission maximum \$5,000 - \$50,000
- CA EFA/\$1.00 transactions must comply with CA Financing Law licensing requirements, including broker being licensed

QUICK FACTS

- ACH payments required
- Up to 100% pre-funding available, \$100 pre-fund fee
- Administration fee \$150
- Approvals valid for 60 days

SUBMITTAL REQUIREMENTS

- Signed credit application and CBR's of all owners
- 70% of ownership or greater must personally guarantee
- Disclosure of recent inquiries, additional exposure, or re-brokered transactions
- Brief write-up about the transaction and terms requested

C RATES

App-Only
\$1,000 - 15,000
EFFECTIVE JUNE 2020



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FAIR MARKET VALUE *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	\$1,000 - \$15,000
24 months	2 pmt	0.05932
	1 pmt	0.06216
	0 pmt	N/A
36 months	2 pmt	0.04883
	1 pmt	0.05133
	0 pmt	N/A
48 months	2 pmt	0.04415
	1 pmt	0.04652
	0 pmt	N/A

TERM RESIDUAL LEASE™ *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	\$1,000 - \$15,000
22 months	2 pmt	0.06164
	1 pmt	0.06453
	0 pmt	N/A
33 months	2 pmt	0.04998
	1 pmt	0.05250
	0 pmt	N/A
44 months	2 pmt	0.04478
	1 pmt	0.04716
	0 pmt	N/A

TERMS OF CONSIDERATION

- No time in business requirement - application-only to \$15,000
- 15% commission maximum
- 10% approval variance on equipment cost
- 33 or 36 month term maximum on high-tech or highly specialized equipment
- All FMV buyouts must be 10% or 15%

QUICK FACTS

- ACH payments required
- Up to 100% pre-funding available, \$100 pre-fund fee
- Administration fee \$150
- Site inspection required \$15,000 or greater
- Site inspection fee: \$175 24-hour / \$155 72-hour
- Approvals valid for 60 days

SUBMITTAL REQUIREMENTS

- Signed credit application and CBR's of all owners
- 70% of ownership or greater must personally guarantee
- Disclosure of recent inquiries, additional exposure or re-brokered transactions
- Brief write-up about the transaction and terms requested

WHAT IS THE "TERM RESIDUAL LEASE™"?

We do not offer \$1.00 buyout or nominal purchase leases for C credit approvals. The Term Residual Lease™ acts as a standard option to either purchase or return the equipment at the completion of the original term. The difference under the Term Residual Lease™ compared to a regular FMV lease is that the standard lease term of 24, 36 or 48 months has been shortened to 22, 33 or 44 monthly payments. If the customer desires to purchase the equipment at the end of the shortened term they may do so by making 2 additional payments on a 22-month lease term (24 payments to own), 3 additional on a 33-month lease term (36 payments to own), 4 on a 44-month term (48 payments to own). Under the Term Residual Lease™ the purchase option is spread out over a number of payments.

START-UP

App-Only
\$1,000 - \$35,000
EFFECTIVE JUNE 2020



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FAIR MARKET VALUE *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	\$1,000-\$5,000	\$5,001-\$10,000	\$10,001-\$35,000
24 months	2 pmt	.05751	.05525	.05435
	1 pmt	.06086	.05830	.05728
	0 pmt	N/A	N/A	N/A
36 months	2 pmt	.04678	.04449	.04349
	1 pmt	.04990	.04735	.04624
	0pmt	N/A	N/A	N/A
48 months	2 pmt	.04220	.03971	.03861
	1 pmt	.04529	.04254	.04134
	0 pmt	N/A	N/A	N/A
60 months	2 pmt	.03995	.03729	.03612
	1 pmt	.04308	.04016	.03888
	0 pmt	N/A	N/A	N/A

TERM RESIDUAL LEASE™ *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	\$1,000-\$5,000	\$5,001-\$10,000	\$10,001-\$35,000
22 months	2 pmt	.05994	.05783	.05700
	1 pmt	.06331	.06089	.05993
	0 pmt	N/A	N/A	N/A
33 months	2 pmt	.04802	.04584	.04489
	1 pmt	.05113	.04869	.04762
	0pmt	N/A	N/A	N/A
44 months	2 pmt	.04289	.04048	.03943
	1 pmt	.04596	.04330	.04213
	0 pmt	N/A	N/A	N/A
55 months	2 pmt	.04035	.03776	.03662
	1 pmt	.04346	.04060	.03935
	0 pmt	N/A	N/A	N/A

TERMS OF CONSIDERATION

- No time in business requirement - application-only to \$35,000
- 15% commission maximum
- 10% approval variance on equipment cost
- 33 or 36 month term maximum on high-tech or highly specialized equipment
- All FMV buyouts must be 10% or 15%

QUICK FACTS

- ACH payments required
- Up to 100% pre-funding available, \$100 pre-fund fee
- Administration fee \$150
- Site inspection required \$15,000 or greater
- Site inspection fee: \$175 24-hour / \$155 72-hour
- Approvals valid for 60 days

SUBMITTAL REQUIREMENTS

- Signed credit application and CBR's of all owners
- 70% of ownership or greater must personally guarantee
- Disclosure of recent inquiries, additional exposure or re-brokered transactions
- Brief write-up about the transaction and terms requested

WHAT IS THE "TERM RESIDUAL LEASE™"?

We do not offer \$1.00 buyout or nominal purchase leases for Start-Up credit approvals. The Term Residual Lease™ acts as a standard option to either purchase or return the equipment at the completion of the original term. The difference under the Term Residual Lease™ compared to a regular FMV lease is that the standard lease term of 24, 36, 48, or 60 months has been shortened to 22, 33, 44, or 55 monthly payments. If the customer desires to purchase the equipment at the end of the shortened term they may do so by making 2 additional payments on a 22-month lease term (24 payments to own), 3 additional on a 33-month lease term (36 payments to own), 4 on a 44-month term (48 payments to own) and 5 on a 55-month term (60 payments to own). Under the Term Residual Lease™ the purchase option is spread out over a number of payments.

SOFTWARE-ONLY

EFFECTIVE JUNE 2020



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“B” CREDIT FAIR MARKET VALUE (NOT TO EXCEED 10% OR 15%) PURCHASE OPTION *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	14%	16%	18%	20%	22%	24%	26%	28%	30%
24 months	2 payments	0.04694	0.04771	0.04849	0.04928	0.05007	0.05087	0.05167	0.05248	0.05329
36 months	2 payments	0.03341	0.03425	0.03511	0.03598	0.03685	0.03774	0.03863	0.03954	0.04045

EFA / \$1.00 PURCHASE OPTION *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	14%	16%	18%	20%	22%	24%	26%	28%	30%
36 months	2 payments	0.03341	0.03425	0.03511	0.03598	0.03685	0.03774	.03863	N/A	N/A

“C” CREDIT FAIR MARKET VALUE (NOT TO EXCEED 10% OR 15%) PURCHASE OPTION ONLY *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	\$1,000-\$15,000
24 months	2 payments	0.06079
36 months	2 payments	0.04899

START-UP CREDIT FAIR MARKET VALUE (NOT TO EXCEED 10% OR 15%) PURCHASE OPTION ONLY *PLEASE SEE STATE AND PROGRAM RESTRICTION SHEET

TERM	FIRST AND LAST	\$1,000-\$5,000	\$5,001-\$10,000	\$10,001-\$35,000
24 months	2 payments	.05909	.05700	.05617
36 months	2 payments	.04705	.04489	.04394

TERMS OF CONSIDERATION

- 10% approval variance on equipment cost
- CA EFA/\$1.00 transactions must comply with CA Financing Law licensing requirements, including broker being licensed

QUICK FACTS

- 24 month terms and 28%/30% rates restricted for \$1.00 buyout and EFA
- ACH payments required
- Up to 100% pre-funding available, \$100 pre-fund fee
- Administration fee \$150
- Approvals valid for 60 days

SUBMITTAL REQUIREMENTS

- Signed credit application and CBR's of all owners
- 70% or greater of ownership must personally guarantee
- Disclosure of recent inquiries, additional exposure or re-brokered transactions
- Brief write-up about the transaction and terms requested

MEDICAL PROGRAM

\$5,000 - \$50,000

Effective June 2020

TIME IN BUSINESS BASED ON LICENSE DATE



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MEDICAL PROFESSIONALS CONSIDERED

- M.D.s
- Allergist/Immunology
- Anesthesiologist
- Cardiologist
- Critical Care/Intensives
- Dentist • Dermatologist
- Emergency Medicine
- Family Practice
- Gastroenterologist
- Genetics
- Geriatrics
- Hematologist
- Infectious Disease
- Internist
- Nephrologist
- OB/GYN
- Occupational Medicine
- Oncologist
- Ophthalmologist
- Orthopedic Surgeon
- Otolaryngologist
- Pathologist
- Pediatrician
- Podiatry
- Pulmonary
- Radiologist
- Rheumatologist
- Surgeon
- Urgent Care
- Urologist
- Veterinarian

10% EQUIPMENT COST VARIANCE UP TO \$50,000

PLEASE SPECIFY IN THE TRANSACTION SUMMARY THAT YOU ARE SUBMITTING UNDER THE MEDICAL PROGRAM.

RESTRICTED

- Private Party Sales
- Non-essential medical equipment including, but not limited to, holistic, new age, alternative therapy and lasers

STATE AND PROGRAM RESTRICTION SHEET - LEASES



STATE	PAWNEE LEASE (FMV/TRL) RESTRICTION - NON-TITLED	PAWNEE \$1 OUT LEASE RESTRICTION - NON-TITLED	PAWNEE LEASE (FMV/TRL) RESTRICTION-TITLED	PAWNEE \$1 OUT LEASE RESTRICTION-TITLED
AK	None	Max buy rate 26%/\$25,000 & Below Restricted	Restricted	Restricted
AL	None	Max Buy Rate 26%	None	Max Buy Rate 26%
AR	None	Restricted	None	Restricted
AZ	None	Max Buy Rate 26%	None	Max Buy Rate 26%
CA	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
CO	None	Max Buy Rate 26%	Restricted	Max Buy Rate 26%
CT	None	Restricted	Restricted	Restricted
DC	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
DE	None	Max Buy Rate 26% / No Sole Proprietors	None	Max Buy Rate 26% / No Sole Proprietors
FL	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
GA	None	Max Buy Rate 26%	None	Max Buy Rate 26%
HI	None	Max buy rate 26%	None	Max buy rate 26%
IA	None	Restricted due to tax on upfront gross receipts	Restricted	Restricted due to tax on upfront gross receipts
ID	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
IL	None	Max Buy Rate 26%	None	Max Buy Rate 26%
IN	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
KS	None	Max Buy Rate 26%	None	Max Buy Rate 26%
KY	None	Max Buy Rate 26% / \$15,000 & Below Restricted	None	Max Buy Rate 26% / \$15,000 & Below Restricted
LA	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
MA	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts



STATE AND PROGRAM RESTRICTION SHEET - LEASES

(continued)



STATE	PAWNEE LEASE (FMV/TRL) RESTRICTION - NON-TITLED	PAWNEE \$1 OUT LEASE RESTRICTION - NON-TITLED	PAWNEE LEASE (FMV/TRL) RESTRICTION-TITLED	PAWNEE \$1 OUT LEASE RESTRICTION-TITLED
MD	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
ME*	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
MI	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
MN	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
MO	None	Max Buy Rate 26%	None	Max Buy Rate 26%
MS	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
MT	None	Restricted	Restricted	Restricted
NC	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
ND	Restricted	Restricted	Restricted	Restricted
NE	None	Max Buy Rate 26% / No Sole Proprietors	None	Max Buy Rate 26% / No Sole Proprietors
NH	None	Max Buy Rate 26%	None	Max Buy Rate 26%
NJ	None	Restricted due to tax on upfront gross receipts	Restricted	Restricted due to tax on upfront gross receipts
NM	None	Max Buy Rate 26%	None	Max Buy Rate 26%
NV	None	Restricted	None	Restricted
NY	None	Restricted	Restricted	Restricted
OH	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
OK	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts

* Pawnee must be listed as Lessor/Lender on all documents in the state of Maine.



STATE AND PROGRAM RESTRICTION SHEET - LEASES

(continued)



STATE	PAWNEE LEASE (FMV/TRL) RESTRICTION - NON-TITLED	PAWNEE \$1 OUT LEASE RESTRICTION - NON-TITLED	PAWNEE LEASE (FMV/TRL) RESTRICTION-TITLED	PAWNEE \$1 OUT LEASE RESTRICTION-TITLED
OR	None	Max Buy Rate 26% / \$50,000 & Below Restricted	None	Max Buy Rate 26% / \$50,000 & Below Restricted
PA	None	Restricted	None	Restricted
RI	None	Restricted	Restricted	Restricted
SC	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
SD	None	Restricted	Restricted	Restricted
TN	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
TX	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
UT	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
VT	None	Restricted	None	Restricted
VA	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
WA	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
WI	None	Restricted due to tax on upfront gross receipts	None	Restricted due to tax on upfront gross receipts
WV	None	Restricted due to tax on upfront gross receipts	Restricted	Restricted due to tax on upfront gross receipts
WY	None	Max Buy Rate 26%	Restricted due to tax upfront on gross receipts	Max Buy Rate 26%

*Please note that these treatments are subject to change, [click this link](#) or check AppTrak for the most current version.



STATE AND PROGRAM RESTRICTION SHEET - EFA



STATE	PAWNEE EFA RESTRICTION - NON-TITLED	PAWNEE EFA RESTRICTION-TITLED
AK	Max buy rate 26% / \$25,000 & Below Restricted	Restricted
AL	Max Buy Rate 26%	Max Buy Rate 26%
AR	Restricted	Restricted
AZ	Max Buy Rate 26%	Max Buy Rate 26%
CA	Max Buy Rate 26% / \$5,000 & Below Restricted	Max Buy Rate 26% / \$5,000 & Below Restricted
CO	Max Buy Rate 26%	Max Buy Rate 26%
CT	Restricted	Restricted
DC	Max Buy Rate 26%	Max Buy Rate 26%
DE	Max Buy Rate 26% / No Sole Proprietors	Max Buy Rate 26% / No Sole Proprietors
FL	Restricted	Restricted
GA	Max Buy Rate 26%	Max Buy Rate 26%
HI	Max Buy Rate 26%	Max Buy Rate 26%
IA	Max Buy Rate 26%	Max Buy Rate 26%
ID	Max Buy Rate 26%	Max Buy Rate 26%
IL	Max Buy Rate 26%	Max Buy Rate 26%
IN	Max Buy Rate 26%	Max Buy Rate 26%
KS	Max Buy Rate 26%	Max Buy Rate 26%
KY	Max Buy Rate 26% / \$15,000 & Below Restricted	Max Buy Rate 26% / \$15,000 & Below Restricted
LA	Max Buy Rate 26%	Max Buy Rate 26%
MA	Max Buy Rate 26%	Max Buy Rate 26%



STATE AND PROGRAM RESTRICTION SHEET - EFA

(continued)



STATE	PAWNEE EFA RESTRICTION - NON-TITLED	PAWNEE EFA RESTRICTION-TITLED
MD	Max Buy Rate 26% / \$15,000 & Below Restricted	Max Buy Rate 26% / \$15,000 & Below Restricted
ME*	Max Buy Rate 26%	Max Buy Rate 26%
MI	Restricted	Restricted
MN	Max Buy Rate 26% / No Sole Proprietors	Max Buy Rate 26% / No Sole Proprietors
MO	Max Buy Rate 26% / \$5,000 & Below Restricted	Max Buy Rate 26% / \$5,000 & Below Restricted
MS	Max Buy Rate 26%	Max Buy Rate 26%
MT	Restricted	Restricted
NC	Max Buy Rate 26%	Max Buy Rate 26%
ND	Restricted	Restricted
NE	Max Buy Rate 26% / No Sole Proprietors	Max Buy Rate 26% / No Sole Proprietors
NH	Max Buy Rate 26%	Max Buy Rate 26%
NJ	Max Buy Rate 26% / No Sole Proprietors	Max Buy Rate 26% / No Sole Proprietors
NM	Max Buy Rate 26%	Max Buy Rate 26%
NV	Restricted	Restricted
NY	Restricted	Restricted
OH	Max Buy Rate 26% / No Sole Proprietors	Max Buy Rate 26% / No Sole Proprietors
OK	Max Buy Rate 26%	Max Buy Rate 26%

* Pawnee must be listed as Lessor/Lender on all documents in the state of Maine.

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STATE AND PROGRAM RESTRICTION SHEET - EFA

(continued)



STATE	PAWNEE EFA RESTRICTION - NON-TITLED	PAWNEE EFA RESTRICTION-TITLED
OR	Max Buy Rate 26% / \$50,000 & Below Restricted	Max Buy Rate 26% / \$50,000 & Below Restricted
PA	Restricted	Restricted
RI	Restricted	Restricted
SC	Max Buy Rate 26%	Max Buy Rate 26%
SD	Restricted	Restricted
TN	Max Buy Rate 26%	Max Buy Rate 26%
TX	Max Buy Rate 26%	Max Buy Rate 26%
UT	Max Buy Rate 26%	Max Buy Rate 26%
VT	Restricted	Restricted
VA	Max Buy Rate 26% / \$5,000 & Below Restricted	Max Buy Rate 26%/\$5,000 & Below Restricted
WA	Max Buy Rate 26%	Max Buy Rate 26%
WI	Max Buy Rate 26%	Max Buy Rate 26%
WV	Max Buy Rate 26% / \$20,000 & Below Restricted for Sole Proprietors	Max Buy Rate 26% / \$20,000 & Below Restricted for Sole Proprietors
WY	Max Buy Rate 26%	Max Buy Rate 26%

*Please note that these treatments are subject to change, [click this link](#) or check AppTrak for the most current version.



TAX TREATMENT GUIDE

*** For titled equipment see Pawnee "State Title Guides" for tax rates, treatments, and restrictions ***

Please Contact Pawnee Leasing Corporation with any Tax Questions at taxrate@pawneeleasing.com

STATE	TAX TYPE	FMV	TERM RESIDUAL	DOLLAR
AK	Sales	Stream	Stream	Stream
AL	Rental	Stream	Stream	Upfront
AR	Sales	Stream / Upfront	Stream / Upfront	Restricted
AZ	Sales	Stream	Stream	Upfront
CA	Sales	Stream / Upfront	Stream / Upfront	Restricted
CO	Sales	Stream	Stream	Upfront
CT	Sales	Stream	Stream	Restricted
DC	Sales	Stream	Stream	Restricted
DE	Rental	Stream	Stream	Upfront
FL	Sales	Stream	Stream	Restricted
GA	Sales	Stream	Stream	Upfront
HI	Rental	Stream	Stream	Upfront
IA	Sales	Stream	Stream	Restricted
ID	Sales	Stream	Stream	Restricted
IL	Use	Upfront	Upfront	Stream - Use Tax
	City of Chicago Dual Taxation Use + Transaction Rate	Use Tax Upfront, Transaction on the Stream Contact taxrate@pawneeleasing.com for additional assistance		Stream - Use Tax
IN	Sales	Stream	Stream	Restricted
KS	Use	Stream	Stream	Upfront
KY	Sales	Stream	Stream	Upfront
LA	Sales	Stream	Stream	Restricted
MA	Sales	Stream	Stream	Restricted
MD	Sales	Stream	Stream	Restricted
ME	Sales	Upfront	Upfront	Restricted
MI	Sales	Stream	Stream	Restricted
MN	Sales	Stream	Stream	Restricted
	Sales - In State Vendor	Stream	Stream	Upfront
MO	Use - Out of State Vendor	Stream	Stream	Upfront
MS	Sales	Stream	Stream	Restricted

TAX TREATMENT GUIDE (continued)

***** For titled equipment see Pawnee "State Title Guides" for tax rates, treatments, and restrictions *****
 Please Contact Pawnee Leasing Corporation with any Tax Questions at taxrate@pawneeleasing.com

STATE	TAX TYPE	FMV	TERM RESIDUAL	DOLLAR
MT	N/A	No Tax	No Tax	Restricted
NC	Sales	Stream	Stream	Restricted
ND	Sales	Restricted	Restricted	Restricted
NE	Sales	Stream	Stream	Upfront
NH	N/A	No Tax	No Tax	No Tax
NJ	Sales	Upfront	Upfront	Restricted
NM	In State Broker - Rental	Stream	Stream	Upfront
	Use Out of State 5.125% State Tax	Stream	Stream	Upfront
NV	Sales	Stream / Upfront	Stream / Upfront	Restricted
NY	Sales	Stream	Stream	Restricted
OH	Sales	Stream	Stream	Restricted
OK	Sales	Stream	Stream	Restricted
OR	N/A	No Tax	No Tax	No Tax
PA	Sales	Stream	Stream	Restricted
RI	Sales	Stream / Upfront	Stream / Upfront	Restricted
SC	Sales	Stream	Stream	Restricted
SD	Sales	Stream	Stream	Restricted
TN	Sales	Stream	Stream	Restricted
TX	Sales	Stream	Stream	Restricted
UT	Sales	Stream	Stream	Restricted
VT	Sales	Stream	Stream	Restricted
VA	Use	Stream	Stream	Restricted
WA	Sales	Stream	Stream	Restricted
WI	Sales	Stream	Stream	Restricted
WV	Sales	Stream	Stream	Restricted
WY	Sales	Stream	Stream	Upfront

*Please note that these treatments are subject to change, [click this link](#) or check AppTrak for the most current version.

Broker Approval Process and Requirements

We welcome all broker inquiries. We do not accept transactions prior to receiving and approving a completed broker application and agreement from your firm. Experience of the broker firm is not the sole determinant of broker approval as the personal credit history of broker principals, bank, and funding source references receive greater emphasis in our broker approval process. We do however require that the applying broker have at least one year time in business. Exceptions may be made for new broker firms whose principals demonstrate significant experience in the equipment finance industry. You will be notified upon our review of the broker application and agreement if your firm is approved to submit transactions to us. We require approved brokers to have the resources to pre-qualify submissions through the national credit reports (Experian, Equifax or Trans Union).

Finally, we have minimum quarterly funding, approval, closing, and portfolio performance requirements that must be maintained to remain an active broker for us. Funding volume less than \$100,000 per quarter, an approval ratio less than 50%, or a funding/approval ratio under 40% will all be considerations for maintaining an ongoing relationship. Unsatisfactory portfolio delinquency and/or loss history is continuously monitored and at Pawnee Leasing's sole discretion, may result in a loss of broker privileges or termination.

Brokers will be required to comply with current California Finance Lenders Law license requirements and regulations when submitting EFAs or \$1.00 buyouts with California-based applicants. Please contact your Business Development Representative for current requirements.

About Our Programs

Pawnee Leasing has served the broker community since 1982, offering competitive and creative options for “B”, “C” and “Start-Up” credits. All of our programs are “Application-Only” except where noted. Please see a description of each of our programs below.

B CREDIT PROGRAM

Risk-based pricing program for requests up to \$50,000. Applicant profiles normally considered include those with minor adverse or unique profiles that do not meet the criteria of traditional “A” funders. Applicants must have at least 2 years time in business for requests up to \$50,000.

C CREDIT PROGRAM

For applicants that do not meet the more rigid demands of our “B” or “Start-Up programs”. Financing up to \$15,000 for applicants with a modest credit “glitch”. This may include credits with aged derogatory payment events or other negative credit items. Applicants who demonstrate a habitual of mishandling creditors, limited credit history or those having current/recent payment difficulties will not be considered.

START-UP PROGRAM

We consider ourselves the most seasoned funding source serving Start-Up businesses. We accept requests up to \$35,000 and 60 month terms for the start-up/new business owner. There is no time in business requirement.

SPECIAL PROGRAMS

Pawnee Leasing is always interested in considering special programs for unique types of equipment or vendor needs. We encourage you to contact our Business Development Department to discuss opportunities that our standard programs might not fulfill.

Why Use Our Services?

With one of the widest credit windows in the industry, including “B” credit, you will have the ability to market “Start-Up” and less traditional “C” financing to your vendors using our programs as a door opener. Many brokers utilize our programs to differentiate their company from the competition. Your vendors and lessees/borrowers measure an equipment finance company by the range of offerings and services they provide. Round out your services with the ability to offer any creditworthy applicant an alternative. Increase your vendors’ sales and add to your bottom line.

General Guidelines for All Programs

Our credit decisions are primarily based on a review of each owner's consumer credit report and all owners must be identified at the time of submission. Note that at a minimum, we require the personal guaranty of over 70% of the business ownership. Payment habits, level of revolving debt, availability of revolving debt, comparable term debt, home ownership, depth of bureau, slow pays, public record items, and bureau scores are among the many characteristics that are examined on personal guarantors. Additionally, commercial credit reports are reviewed, especially for tenured businesses in order to review and substantiate time in business, ownership verification, trade or finance history, and other public reference information associated with the business.

Bank References

Unless specifically requested, we do not require bank references. However, copies of personal or commercial bank account statements (checking and/or savings) demonstrating additional liquidity may enhance a credit decision, particularly for Start-Up applicants.

Other Credit Decision Information

While all of our programs may be considered "Application-Only", additional information is reviewed, especially for start-ups, including:

- A brief write-up summarizing industry experience or training in the business that is being started along with the availability of continued outside income from the applicant or their spouse. This enhances the likelihood of your customer being approved.
- A verifiable business name and address (internet presence, utilities statement, etc.) listing is preferred at the time of credit submission and/or may be required prior to funding.

AppTrak - Online Submissions

All submissions must be entered using our online AppTrak system (<https://brokers.pawneeleasing.com>). Please contact your Business Development Representative to obtain your username and password if you have not already received one. AppTrak is our application submission, credit decision, and document generation portal. With AppTrak you can:

- Submit applications 24/7
- Generate lease/loan documents 24/7 (paper or electronic)
- View credit decisions
- Download current rate schedules and broker guidelines
- Check on status of transactions, view your portfolio history, resale certificates, and much more.

Application Submission Requirements

KNOW YOUR CUSTOMER, KNOW YOUR VENDOR, KNOW PAWNEE LEASING AND QUALIFY, QUALIFY, QUALIFY.

We find that our most successful brokers are those who work very closely with their customer and vendor, and take the necessary time to complete a full examination of the credit and match them with an appropriate program. Prior to submitting an application, they fully explain the specifics of a probable approval discussing term, payment, advance payments, purchase option, administration fees, interim rent, insurance requirements, and the required collection of payments by ACH. Only when the applicant has agreed to the likely terms of an approval, had an opportunity to inquire as to the aspects of their potential transaction and acknowledged to the broker that they understand the terms should an application be submitted for consideration. We discover many "application generators" submitting applications without a clear picture of the credit or receiving any commitment from the applicant to close on Pawnee's likely terms. These habits ultimately result in lower closing ratios and significantly higher back office costs to both the broker and Pawnee Leasing. We do terminate broker privileges when we determine the economics of the broker-funder relationship is not profitable in application processing.

CREDIT SUBMISSION REQUIREMENTS

Each submission must contain:

- Complete signed credit application.
- Credit bureau on all owners.
- Vendor identification (name, address & phone) and detailed equipment description including cost.
- Always include signed proposals or highlight pre-sold terms so our credit staff may accurately meet your expectations.
- All split transactions must be identified.
- Re-brokered transactions must identify originating broker including broker principal(s), name(s), business name, address, telephone number, and website address.
- A brief write-up that provides our credit staff with an accurate picture of your applicant and request is encouraged.
- Experience indicates that we have a high level of difficulty with originations by brokers who are unfamiliar with the vendor and/or the applicant's story. For these reasons, we may request additional information on a vendor, including a broker's experience with a vendor and/or a complete story on the proposed transaction. This is particularly true when it appears that the broker has either received the application through the internet or might not have prior experience with the vendor. Note: we highly recommend close scrutiny of unexpected transactions or unknown sources; these transactions often have a higher likelihood of fraud.

CREDIT DECISION CRITERIA

Considerations for making credit decisions include:

- Our primary resource in all credit evaluations are consumer and commercial credit reports: Equifax, Experian, Trans Union, and Paynet and Experian Commercial. Please note that when individual scores (BNI, Beacon, Fair Isaac or others) present a conflict, our credit review process attempts to reconcile multiple bureau information.
- Overall, we have a common sense approach to our credit decisions and therefore it is unlikely that we would approve applications with guarantors with poor credit scores, excessive revolving debt or a history of derogatory or slow payment habits. It is also unlikely that we will approve an applicant with limited credit history on an application-only basis.
- Guarantors are preferred to demonstrate comparable installment or term debt history, by size of payment and debt, on their CBR to the application request.
- Guarantors must have a minimum of 7 trade lines on their CBR with the oldest account reporting 3 years of payment history.
- We do not consider guarantors with substantial outstanding tax lien obligations, foreclosure proceedings, any reported open child / family support accounts, student loan defaults, or guarantors that have accounts managed by a credit / debt management counseling service.
- We do consider guarantors with completed loan modifications and 12 months of subsequent, timely payments.
- Commercial credit reports should demonstrate and verify data including: time in business, ownership, business location, favorable trade, lease or loan histories, and acceptable commercial risk scores.

BANK REQUIREMENTS & BUSINESS VERIFICATION

Although not required at submission, the applicant must have a verifiable commercial checking account and address under the business name at funding.

If the applicant doesn't have either a business telephone and/or a commercial bank account, then we do not consider them as "in business". This is an important fraud prevention measure, an issue that is important to both of us (see "Fraud Prevention Requirements").

BANK REQUIREMENTS & BUSINESS VERIFICATION (continued)

Business verification requirements may be waived on a case-by-case basis when it is determined that it is customary and reasonable the applicant would not normally have a business telephone. Examples may include: subcontracting or transportation businesses. In these instances, other supporting documentation that establishes evidence of the commercial enterprise may be requested such as: sales tax license, business license, business name filing, landlord lease agreement, utility bill, or associated federal income tax schedules.

FINANCIAL STATEMENT PACKAGE REQUIREMENTS

We consider most transactions “Application-Only”. Occasionally however, for us to further consider a transaction, a detailed financial package consisting of the following additional information may be requested. This will often be the case for split transactions or for applicants that have existing exposure with other funding sources.

1) IRS Tax Returns

Parts of the most recent tax returns are required on all guarantors and the business per the following schedule:

- Personal IRS Return: First 2 pages of signed return, along with schedules C and E if applicable.
- S Corporation Return: First 2 pages of signed return and all Schedule K-1's – Distribution Schedules.
- Corporate Return: First page of return, Schedule E – Compensation of Officers and Schedule L – Balance Sheet.
- Partnership Return: First page of return and each Schedule K-1 – Partner's Distribution.

2) Personal Financial Statement (PFS)

- A personal financial statement is required on all guarantors. The PFS must be complete, accurate, and less than 60 days old with detailed supporting schedules, dated and signed by guarantor(s).

FRAUD PREVENTION REQUIREMENTS

Due to our limited direct contact with applicants and vendors that are frequently not in close proximity to the broker, all of us are exposed to the possibility of misrepresentation and, in some cases, fraud. We rely upon our brokers to use their best efforts and knowledge to mitigate and prevent misrepresentation and fraudulent transactions. We require the submitting broker to conduct the following fraud checklist test with all applicants/parties prior to submitting a credit request:

- Broker has conducted a thorough evaluation of the vendor (i.e. vendor profile), including time in business, credit verifications, and can attest to the credit worthiness and reliability of the vendor.
- Broker has confirmed that the equipment to be purchased by Pawnee Leasing is either new or used, is owned by the vendor, has obtained a final invoice, and the transaction is not a sale-leaseback or undisclosed private party sale.
- Broker has confirmed that the owners represented on the application are all of the owners, shareholders or partners in the applicant's business.

Note: Broker's originations that are ultimately shown to be fraudulent in nature will be expected to assist in the resolution of the problem up to and possibly including the repurchase of the transaction for the existing receivable balance. Broker privileges, up to and including termination and legal action, may occur in the event a fraudulent transaction is confirmed.

CO-SIGNERS

Many times the credit strength of an applicant can be enhanced with a spousal, parental or blood relative guaranty. We evaluate this potential additional guarantor on a case-by-case basis. In general, a co-signer is required when a business owner/operator has a limited credit profile or aged derogatory credit. An owner or business manager that has an extremely poor credit bureau and/or has recent payment problems will not be considered even with a very favorable co-signer.

HOW WE VIEW BANKRUPTCIES FOR GUARANTORS

Discharged bankruptcy over two years will be considered in instances when any guarantor has a firmly re-established credit history demonstrating depth and timeliness of payments. For applicants with less than 2 years since the bankruptcy, pricing will be considered for 'C' Rates.

INDUSTRY GUIDELINES

CAUTION BUSINESS TYPES - requires a higher quality credit for transactions above \$20,000.

Accountant/CPA	Embroidery	Mortgage Broker
Any Home-Based Business	Fitness/Gyms	Printing
Audio/Video	Forestry/Lumber/Wood	Publishing
Carpet Cleaning	Garment/Apparel	Real Estate Agent/Broker
Cleaning/Restoration	Janitorial	Tattoo/Body Piercing
Dry Cleaning	Laundry	Transportation/Trucking

RESTRICTED BUSINESS TYPES - the following are not considered (COVID-19 restrictions).

Adult Entertainment	Family recreation & entertainment	Oil and gas production and businesses serving this industry
Agriculture	Franchises with less than 50 Locations	Paint Ball
Alternative/Discretionary Medical - Businesses performing invasive and non-invasive, non-essential medical procedures	Gaming	Public entertainment/Concert venues
Attorneys	Hazardous Materials	Public Transportation
Business Opportunity	Hotels, motels, resorts, hospitality and other travel related business	Restaurant, food & drink service (franchise/independent)
CBD & Hemp Products	Inter/Intra State Transportation Requiring Apportioned Plates	Retail stores (excluding grocery and pharmacy, convenient stores)
Chiropractors	Long Haul Trucking/Transportation - Class 7-8	Stage lighting & sound for public venues
Cinemas/Theaters	Marijuana or any Drug Related Businesses	Vaping Stores
Day Trading	Med Spas/Day Spas/Massage/Tanning	Vending (3rd Party Location)
Event Planning/Party Rental	Medical - Not Owned By Medically Licensed Professionals	

Expansions/New Ownership

- Expansions are considered for established businesses. The expansion location must use the same recognized company name and be in the same line of business. Pawnee Leasing will give credit for full time in business from original location.
- New ownership applicants will be considered for companies established for more than two years but are under new ownership. The new owners should maintain the same business location, name, and concept; Pawnee Leasing will give credit for full time in business for prior ownership.

EQUIPMENT RESTRICTIONS:

Specific restricted equipment includes:

Agricultural	Fencing	Oxygen Bar
Alternative/Non-Essential Medical	Gaming Machines	Paint Ball Guns
ATM's (Routes)	Holistic Medical Equipment	Public Internet Access Terminals
Aqua Massage	Hydroponic	Recreational/Entertainment/Simulation
Automobiles	Inkjet Refill	Solar Panels
Automated Dialers	Internet Gambling	Storage Tanks (Below Ground)
Billboards	Inventory/Consumables	Titled Equipment With Apportioned Plates
Bitcoin Mining Equipment	Kiosks (3rd Party Location)	Tobacco Rolling Machines
Blind Cleaning	LED Lighting for Start-Up	Trailers being attached to a truck with
Blood Analysis Equipment	LED Signs on Vehicles	IRP/apportioned plates
Business Opportunity	Marijuana-Related	Vending (3rd Party Location)
Copiers	Maxforce Engines 2007-2013	Websites
Energy Management	New Age Medical Equipment	

- Used equipment is acceptable for a term of 36 months or less. Used “hard asset” equipment may be considered with more desirable credits up to 60 months.
- Soft, high-tech, and highly specialized equipment will be limited to 36 month term and will generally require a higher quality credit profile.
- Non-essential equipment will generally not be considered.

SOFTWARE RESTRICTIONS

We do consider “essential” software-only requests for a maximum term of 36 months. **Refer to “Software Only” buy rates. Software-only transactions will require a higher quality credit profile.**

SOFT COST RESTRICTIONS

We prefer to limit “soft” elements (installation, training, programming, shipping, freight, or other intangible charges) to a maximum of 25% of the request. In all cases, soft costs must be disclosed at the time of submission.

APPROVAL COST VARIANCES

10% Equipment cost variance up to \$50,000.

OTHER TRANSACTION TYPES WE DO NOT CONSIDER

- Repo/Salvage Titled

GEOGRAPHIC RESTRICTIONS

- **Brokers will be required to comply with current California Finance Lenders Law license requirements and regulations when submitting EFAs or \$1.00 buyouts with California based applicants. Please contact your Business Development Representative for current requirements.**
- We do not consider any submissions where the business is located in North Dakota, U.S. Virgin Islands or Puerto Rico.
- We will consider Alaska, Hawaii, and Miami/Dade County for “B” rates only.
- Pawnee must be listed as Lessor/Lender on all documents in the state of *Maine.
*Discounters must broker any transactions in Maine with our documents and Pawnee as lessor.
- All credit applications from the state of Vermont must be signed at time of credit submittal.

PRE-FUNDING

All pre-funding requirements will require a \$100.00 pre-funding fee. **We offer pre-funding up to 100% of the equipment cost with a maximum amount of \$55,000 for qualified vendors.** Pre-funding should be requested at the time of original credit submission and approved by our credit staff. In many cases, we will require a completed vendor profile for review. Vendors with weak commercial credit reports, time in business of less than three years, or an unfavorable vendor profile may not qualify for pre-funding. Vendors will generally need at least three years time in business and verifiable credit references via PayNet or Commercial Experian equivalent to lease/loan request to qualify for pre-funding request. All pre-funding requests will require a Pre-Installation Addendum to be signed by the applicant. Site inspections will be conducted **PRIOR** to pre-funding to examine and verify the applicant's place of business or equipment.

Note: Commission is released at the time of funding.

ACH PAYMENTS

ACH payments are required on all "B", "C", and "Start-Up" transactions; no exceptions are considered. ACH payments are withdrawn from the customer's commercial checking account. The ACH draft occurs on either the 1st or 15th day of each month during the term and we will let the lessee/borrower know which date their payment will fall on during the verbal D&A. Any transaction funding between the 11th-25th of the month will be given the 1st of the next month and any transaction funding between the 26th-10th will be given the 15th of the month (i.e. Jan 26-Feb 10th would ach on the 15th). ACH is an important element to discuss with your customer early in the process, as some applicants are resistant to this payment method.

INTERIM RENT/PAYMENT

Interim rent or interim payment will be charged on all transactions calculated from the date funded through the first payment due date. Interim rent will never exceed one month's payment **and is important to disclose** to your customer prior to commencement.

FIRST AND LAST PAYMENTS

Typically, transactions will require a first and last payment due upfront (generally from 1-2), including tax, or a percentage of the equipment cost.

With the exception of "B" credit, all transactions that require a total initial payment in excess of \$3,000 must be payable by certified funds. If Pawnee Leasing is to collect the total initial payment we will do so during the review process, upon receiving the signed ACH page and voided check.

DOCUMENTATION

- All documents must be prepared by the broker using the AppTrak section of our website <https://brokers.pawneeleasing.com>. This is necessary to ensure that the most current documents are used as documents may change from time-to-time without notice. We do not prepare documentation for our brokers nor do we accept other's documents. A one-time administration fee of \$150.00 is to be paid and collected with the advance payments (if applicable) on each transaction. In addition, Pawnee Leasing limits broker documentation fees to a maximum of \$500.00 (any overage will be applied to customer's interim rent).
- **Pawnee Leasing Corporation only provides and services English language documents. For the protection and benefit of all applicants and to ensure that all terms and conditions of our documents are understood and agreed upon, all principals, including any personal guarantors, must be proficient in the English language. All guarantors must be US citizens.**
- **We require a valid, clear, and legible Driver License copy on all guarantors prior to funding.** The photo should be discernible and the signature must match the signature on the agreement documents, guaranty and all other documents. If signature discrepancies are observed on any documents, all signatures must be notarized or bank guaranteed as required by our credit or funding staff.

ELECTRONIC DOCUMENTS/SIGNATURES

- For approved brokers - please call your Business Development Representative for details.
- Initial payment by ACH.
- No Driver License or voided checks required.
- If any PG fails access code or ID check more than once, eDocs will no longer be available, all documents must be papered out and DL provided.
- If credit finds a fraud alert on any PG, eDocs will not be available, we will require paper docs with a notarized signature.

RESIDUAL ASSIGNMENTS

Brokers may participate in Pawnee's residual assignment program. Pawnee will collect the residual and forward to the broker once the lessee's payment has cleared. Residuals will only be paid on transactions that successfully complete their lease to term and have fully complied with all terms and conditions. Reference AppTrak for residual assignment instructions and documentation. Residuals will not be provided unless proper, signed Pawnee Leasing residual assignment documents are enclosed with funding packages and the residual assignment is noted on Pawnee's broker invoice. **Only TRUE FMV or FMV not to exceed 10-15% residual assignments will be accepted. EFA/\$1 Out/ TRL buy rates must be used in conjunction with the FMV Purchase Option form** (do not use the Term Residual or \$1 Out Purchase Option form). Contact your Business Development Representative with any questions.

VENDOR INVOICES

When working with vendors please keep in mind that Pawnee's preferred payment method at time of funding is ACH. Vendor invoice must reflect detailed equipment descriptions including make, model, serial numbers, cost breakdowns and condition of each item including soft costs. For leases, the "Bill To" party must be the Lessor, and the "Ship To" party must be listed as the Lessee. EFAs should only reflect borrower. We routinely audit equipment values prior to funding in order to ensure fair market value purchase cost of all items. We reserve the right to terminate transactions if it is determined the equipment sales price is not representative of its fair market value.

COMMERCIAL TRUCK GUIDELINES

LIGHT DUTY

Classification GVWR

Class 1	0-6,000 lbs.
Class 2	6,001 - 10,000 lbs.

MEDIUM DUTY

Classification GVWR

Class 3	10,001 - 14,000 lbs.
Class 4	14,001 - 16,000 lbs.
Class 5	16,001 - 19,500 lbs.
Class 6	19,501 - 26,000 lbs.

HEAVY DUTY

(Currently restricted due to COVID-19)

Classification GVWR

Class 7	26,001 - 33,000 lbs.
Class 8	> than 33,000 lbs.

COMMERCIAL TRUCK GUIDELINES (continued)

- Maximum Term: 60 months. Terms will be reduced to 36 months for vehicles greater than 6 years old and/or with higher mileage. 15 year age maximum.
- Mileage Limits: Class 1-2 = 100,000 Mile Maximum, Class 3-5 = 250,000 Mile Maximum, Class 6-8 = 750,000 Mile Maximum (Class 7-8 is currently restricted due to Covid-19).
 - Mileage limit exceptions will be reviewed on a case by case basis. Equipment value, age, and mileage must be approved prior to docs. **NO EXCEPTIONS.**
- Maxxforce 2007-2013 engine equipped titled trucks are restricted.
- All B, C, and Start-Up approvals will require at least a first and last payment. Aged and High mileage trucks may also require a security deposit.
- The California Air Resources Board (CARB) will now require that diesel vehicles greater than 14,000 pounds must comply with the CARB Truck and Bus Regulations. Please refer to AppTrak under "Rates/Misc Forms" for more information.

COMMERCIAL TRAILER GUIDELINES (Currently restricted due to COVID-19)

- 15 year age maximum for commercial trailers.
- Trailers carrying hazardous materials must be financed on an EFA.
- Trailers being attached to a truck with IRP/apportioned plates are restricted.

TITLED VEHICLE TRANSACTIONS

- All document packages for titled equipment must include the titling requirements outlined in the Pawnee approval. Generic documents are not allowed on titled transactions. **Pawnee Leasing Corporation must be listed as Lessor/Lender.** Brokers must prepare, submit and follow up on all titling documents as follows:
- Electronic documents are not available on titled transactions due to notary requirements.
- All titled equipment must have legible VIN plate on it.
- Titled equipment vendors must have a valid state issued dealer license.
- For a brand new trailer that is being built, if the vendor is approved for 100% prefunding, we will release 50% to start the build (contract will start in full for the lessee/borrower) and then once it has been completed and we have obtained all additional documents needed we will release the remaining 50%.
- Must be US Title.
- If vehicle requires a CDL to operate, we will require a PG with a CDL.
- Pawnee Leasing uses Perrins Registration Office Inc or an approved third party to outsource the title process when the vendor is in a different state than the customer. Broker is not permitted to handle titling. Please note that Perrins Registration Office Inc charges a fee of \$225 per title for their services, and Pawnee Leasing charges \$50 per title which is paid by the Broker/Lessor. This fee may be passed on to the customer by including it in the broker administration fees collected as part of the total initial payment.
- Sales tax must be based on the customer's equipment location. **Contact Pawnee Leasing for the most up to date tax rate and treatment by email: title@pawneeleasing.com.**
- Broker must provide Pawnee Leasing with title information sheet, invoice, and copy of original title (front and back), filled out and signed off by the vendor as listed on the state specific instructions which can be found in AppTrak.
- Power of Attorney, tax check, and agreement will be forwarded to the title service.
- Customer is responsible for all title and registration fees.
- For Titled State Restrictions: Please see attached state and program restriction sheet.

All questions, concerns, tax questions and titled documents should be directed to Pawnee Leasing at title@pawneeleasing.com.

TITLED EQUIPMENT – BROKER COMMISSION

Specific to Titled Equipment, the broker commission is paid as follows:

- Pawnee Leasing will hold 50% of the Broker's commission. The balance will be paid upon verification that title has been received from dealer or dealer provides proof/receipt of transfer.

CAPITAL REDUCTIONS

Capital reductions and the sales tax on the amount of the capital reduction should be routed through Pawnee via certified funds along with the final documents for full payment to the vendor and the appropriate tax authorities. If a capital reduction has been paid to the vendor prior to credit submission or is necessary to secure an equipment order, the capital reduction (including sales tax) should be noted on the invoice. A copy of the check used to pay the capital reduction including sales tax must be provided along with a disclaimer of ownership lease addendum.

SITE INSPECTIONS

We require site inspections on transactions \$15,000 or greater for “C” credit & Start-Up transactions. From time to time, we may require a site inspection for transactions less than our requirements, particularly with specialized equipment, non-approved vendors, transactions with capital reductions, and marginal credits. Site inspections are generally only permitted at the applicant’s business location. Inspections will normally be required at the time of credit approval unless circumstances dictate otherwise. **The site inspection fee is \$175 for 24-hour service and \$155 for 25-72 hour service (an additional \$80 fee is assessed if QuikTrak deems a location to be remote).** It is very important to disclose this requirement at the documentation stage or earlier, and that the equipment be installed and operational prior to the inspection. The mission of all site inspections is not only to evaluate the delivery and performance of the equipment but also to validate the place of business exists, the applicant is conducting business, and has a certificate of occupancy if in an opening stage. Site inspections must be conducted **PRIOR** to pre-funding to examine and verify the applicant’s place of business or equipment.

*Some delays and additional fees may occur due to inspector availability and location.

Note: Pawnee Leasing prefers to order the site inspection. If the broker chooses to order the inspection independently, the final inspection report is required to fund and must meet Pawnee’s requirements. Pawnee Leasing reserves the right to order an additional site inspection (at broker’s expense) in the event it is deemed necessary.

VERBAL DELIVERY & ACCEPTANCE

We complete a verbal D&A with every customer prior to funding a transaction. We confirm their understanding of the highlights of the agreement including among other things: confirmation of advance payments, receipt & satisfaction of equipment, insurance requirements, and serial numbers of all equipment. We will only complete a D&A with the person who signed the agreement or a guarantor.

FUNDING/COMMISSIONS CHECKS

Pawnee’s preferred method of payment to vendors is by ACH or wire, if no ACH or wire instructions are provided we will send a check to the vendor by regular US Mail. We do require all broker commissions to be paid by ACH.

UPLOAD TO FUND

- Original documents are not required - We accept scanned and electronic copies and consider them originals (title equipment original power of attorney’s are required).
- Upload scanned copies of documents directly to our AppTrak portal.
- Broker must submit complete set of documents for review. Please refer to your approval email for what constitutes a complete funding package.
- All documents must be received by 11:00 am Mountain Time for same day review/fund.



PAWNEE LEASING CORPORATION

 a Chesswood Group Limited company

Key Staff Contacts

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