



10 Most Frequently Asked Questions



1) Why should I choose to lease the equipment?

There are many reasons that make lease financing a smarter choice to bank borrowing or paying cash. Over 80% of U.S. businesses finance equipment and these reasons vary from business to business. Some advantages of leasing are: **Convenient and easy - 100% financing - Conserves capital - Tax advantages - Preserves bank lines - Flexible terms - Hedge against inflation - Obsolescence protection - Fixed terms and payments - Easy add-on and trade ups.**

2) What is your interest rate?

Interest is the charge a borrower must pay for the use of the lender's money. With leasing, customers are not borrowing money. Customers are "using equipment", so that they can generate a profit in their business. Because of this fundamental difference, an interest rate (APR) normally associated with borrowing money does not apply to a leasing transaction.

3) Can I cancel the lease?

The lease is non-cancelable. However, leasing does offer customers many trade-up and buy-out options that would not be available to them had they purchased the equipment.

4) Suppose the equipment doesn't work?

Wise Corporation is a highly-respected company which stands behind the equipment it sells. With leasing, the customer receives all warranties and guarantees associated with the equipment that is acquired.

5) What happens if my needs change?

A lease offers customers flexibility to add new equipment to their current lease or upgrade their current system.

6) Who pays the taxes?

You as the customer (lessee) are responsible for paying all applicable taxes.

7) Do I own the equipment at the end of the lease?

Depending on the buy-out selected at the beginning of the lease, you can purchase the equipment for the agreed on price. Unless specifically requested, most leased equipment is written with a \$1.00 purchase option.

8) Is my lease payment tax deductible?

Tax laws vary from state to state and business to business. You should contact your accountant in order to determine your company's individual tax status.

9) How will I be invoiced?

You can choose the payment due date on the 10th, 20th or 30th. Ervin Leasing **DOES NOT** charge interim rent or other "hidden" fees. You can also select your billing preference of a Monthly Invoice, Coupon Book or Direct Debit.

10) Will my payment increase during the term of the lease?

NO. Your lease payments are fixed throughout the term of the lease.

For additional information on how leasing can benefit your business contact:

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