

Leasing Services
from

TRUSTBANK™

Member FDIC

the *only* bank you'll ever need



Leasing. . .
That Makes Sense

THE LEASING ALTERNATIVE. . .

More than \$200 billion worth of new equipment is acquired through leasing each year in the United States. About 30% of all new equipment is now financed through some type of lease arrangement. Businesses of all types and sizes now utilize leasing to acquire the use of the equipment and buildings they need to be more productive. In fact, 8 out of 10 American companies now lease at least some of their equipment. They have learned that it is the use of equipment that makes them money, not the ownership. Many have adopted the principle that you should buy assets that appreciate in value and you should lease assets that depreciate in value.

HOW DOES IT WORK ?

Leasing is simpler with us than you might think. You select the equipment or building and negotiate the price with the dealer or supplier of your choice. We then buy the equipment or building from the dealer or supplier and lease it to you for terms ranging from three (3) to seven (7) years. We can arrange annual, semi-annual, quarterly or monthly lease payments. Special payment dates can be arranged to accommodate your cash flow requirements. This is all subject to credit approval. We can even buy equipment or buildings you already own from you and lease it back under a sale-leaseback.

WHAT CAN BE LEASED ?

We will consider leasing about any type of equipment or building as long as it is for a business use. The following is a partial list of items that can be leased.

- Farm Equipment
- Farm Machinery Buildings
- Construction Equipment
- Medical/Dental Equipment
- Machine Tools
- Manufacturing Equipment
- Material Handling Equipment
- Office & Computer Equipment
- Printing Equipment

WHY LEASING IS SO POPULAR ?

1. Leasing offers you clear, fixed cost financing. You know the exact amount of future payments and avoid the risks and uncertainties of fluctuating interest rates. You can more closely estimate both costs and profitability over the near and intermediate term.

2. Structured properly, lease payments are normally tax deductible in the year they are made. The after-tax cost of leasing may be less than other alternatives depending on your situation. In some cases, leasing may also significantly increase your first year tax deduction.

3. Leasing may help you conserve your working capital. It can free your cash for more profitable uses. It can give you the use of the equipment you need while retaining the use of your cash as well.

4. Leasing lets you pay for the equipment as you use it. It can help your cash flow by letting the earnings or savings the equipment generates make the lease payments.

5. Leasing may enable you to acquire the equipment at a lower price. A lease with us is the same as a cash sale to the supplier so you should be able to benefit from all possible cash discounts.

6. Structured properly, an operating lease can help improve financial ratios and assist with capital budget concerns or restrictive loan covenants.

7. Leasing can make accounting simple. The payment and the tax deduction are the same. It makes it easy for informal partners or family members to divide costs between them.

WHAT HAPPENS AT THE END OF THE LEASE ?

You have several options open to you. You can arrange to buy the equipment from us, you can return the equipment to us, or you can simply renew the lease for an additional length of time.

WHY LEASE WITH US ?

As your local community bank, we believe in treating our customers the same way we liked to be treated. Our people are your neighbors and our proximity to you means you can easily meet with us face-to-face whenever necessary. We recognize the importance of offering the services and products you want or need. It is our goal to continue to earn your business. Every day, we do our best to understand your business and respond to you in a timely, professional manner.

Please call us anytime you have any questions and want to discuss how leasing might make sense for your business.