

Leasing with **TuffBoxx**

TuffBoxx Inc., in association with Equilease, is pleased to offer our customers the option of leasing their purchase (equipment, installation, freight). Leasing is a perfect option for anyone making a big ticket purchase.

Equilease's simple and efficient leasing process will help you quickly acquire the equipment and software your business needs in order to operate. Whether you have an established business or a start up, new equipment can help increase revenue. Leasing your equipment can improve cash flow resulting in a much more effective operation.

Leasing Benefits

- 100% financing with no down payment or upfront administration fees.
- Fixed monthly payments: Turns a single purchase into a small monthly payment, freeing up vital capital to grow the business.
- Payments including sales tax are spread out over the duration of the term.
- Helps to manage cash flow.
- Preserves working capital and existing lines of credit for day-to-day operating expenses and unforeseen emergencies.
- Provides tax benefits as leasing is an operating expense which can be written-off in most cases.
- Flexibility in structuring your lease term and payment schedule.
- Protection from equipment devaluation or obsolescence because you can upgrade your equipment with minimal charges.
- Leases are often easier to obtain and have more flexible terms than loans.

Leasing Terms

- Minimum purchase for leasing is \$1,500 (before taxes).
- Some items of lower value qualify for leasing if accessorized.
- Lease terms are available from 24-66 months.
- O.A.C. (On Approved Credit).
- First and last month payment in advance.

Frequently Asked Questions

Who can lease?

Any consumer, company, sole proprietorship, partnership, organization or association can apply to lease equipment.

Note: For Quebec residents only – Individuals cannot lease equipment through Equilease. Equipment can only be leased through Equilease if the lease is in the name of a company, organization or association registered with the government.

Why should I lease?

There are several advantages that make leasing an attractive option for many people.

Leasing...

- Offers fixed regular payments.
- Provides financing for 100% of the purchase including equipment, software and services (i.e. installation, freight).
- Allows people and businesses to pay for equipment as it is used to generate income.
- Conserves both working capital and bank lines of credit.

Who owns the equipment?

As the lessor of the goods Equilease (or its assignor) is the legal owner of the equipment during the lease period. Most leases are written with a \$10 buy-back so that at the end of the lease period the customer owns the goods.

What is the process for leasing equipment?

Equilease first reviews the credit information provided on the lease application. Upon approval, the lease agreement is prepared. When the equipment is delivered, Equilease pays the vendor and begins billing you according to the agreed lease payment terms and schedule.

Is a down payment required?

Generally, no.

How are lease payments determined?

The monthly payment is based on the term of the lease, cost of the equipment and the type of leasing plan you choose. Equilease offers 24-66 month leasing plans.

What factors are used to determine credit worthiness?

Credit worthiness is based on several factors:

- Credit bureau rating.
- Type of business.

- Length of time in business.
- Financing conditions.
- References from financial institutions.
- Trade references.
- Bank reference.

For lease applications over \$25,000, 2 years of financial statements may be required.

Can a lease be cancelled?

Leases cannot be cancelled, but the customer can trade-in and upgrade their equipment before the expiry of the original lease.

Can I purchase the equipment at the end of the lease?

Yes. You have the option of continuing the lease, purchasing the equipment or returning it to Equilease. Your lease plan will determine what your buy-out options are.

What about GST and PST?

The GST and PST (where applicable) are calculated on a monthly basis based on your lease payment. This way, you are only financing the actual cost of the equipment; you are not financing the taxes.

Who should sign the lease agreement?

For a personal lease, the designated lessee and guarantor (if applicable) must sign the lease. For a business lease, the lease must be signed by an authorized office of the corporation, by one of the partners in a partnership, or by the owner of a sole proprietorship.

Who is responsible for maintaining the equipment?

The customer receives all the benefits of the buyer's warranties and is responsible for the care and maintenance of the equipment.

What about insurance?

Leasing requires that all equipment be insured. If the customer's personal insurance does not cover the equipment, insurance can be arranged through Equilease.

What about tax benefits? How do I account for lease payments?

Although most lease payments are fully tax deductible, you should seek the advice of your accountant to determine the best treatment for tax purposes.

What effect does leasing have on my bank line of credit?

Established bank lines of credit are unaffected and can be better-maintained and utilized for day-to-day operating expenses and unforeseen emergencies.