

Tax Lease - Long Term Rental

For the customer who desires the lowest possible payments and generally plans to return the equipment to Cat Financial at the end of the lease term.

Benefits

- Provides you the lowest possible monthly payment.
- Generally qualifies for off-balance sheet financing.
- Frees your working capital for operating needs.

Purchase Options

Fair Market Value (FMV) purchase option based on machine specification, equipment usage & application and finance term. At the end of the lease, you may purchase the equipment at the Fair Market Value or return it to Cat Financial.

Terms

Length (new equipment):	24 - 60 months <i>(Terms greater than 60 months may be considered upon request)</i>
Purchase Option Alternatives:	Provision to purchase at Fair Market Value or return machine to Lessor
Tax Benefits:	Retained by Lessor
Payment Flexibility:	Monthly <i>(Other schedules may be considered upon request)</i>

Comparison of Financial Products

	Ownership	Equity Buildup	Tax Benefits	Payment	Purchase Option	Contract Flexibility	Early Payoff Restrictions	Personal Property Tax
Installment Sale Contract	Immediate	Faster	Customer	Higher	N/A	Yes	No	Customer pays
Finance Lease	Option or mandatory purchase at lease end	Slower	Customer	Low	Bargain	Yes	No	Customer pays
Tax Lease - Cat Value Option	Option at lease end	None	Cat Financial	Lower	Predetermined Fair Market Value	Difficult to modify	Yes	Paid by Cat Financial & invoiced to customer
Tax Lease - Long Term Rental	Option at lease end	None	Cat Financial	Lowest	Fair Market Value	Difficult to modify	Yes	Paid by Cat Financial & invoiced to customer

Installment Sale Contract	<ul style="list-style-type: none"> Customer owns and depreciates Immediate equity through down payment or trade Quickest equity buildup through repayment
Finance Lease	<ul style="list-style-type: none"> Depending on option or mandatory purchase amount (balloon), monthly payments can be lower than traditional financing. Lessee may take depreciation Equity buildup is slower
Tax Lease - Cat Value Option	<ul style="list-style-type: none"> Ownership is optional Residual provides low monthly payment Lessee treats unit as rental No equity buildup
Tax Lease - Long Term Rental	<ul style="list-style-type: none"> Ownership is optional Residual provides lowest monthly payment Lessee treats unit as rental No equity buildup

Cat Financial

Cat Financial, a wholly owned subsidiary of Caterpillar Inc., has been in business since 1981 helping customers acquire Cat® equipment and products through a wide variety of financing and leasing options.

We provide financing for the entire Caterpillar® product line of construction and earthmoving equipment, engines, lift trucks, as well as Marine vessels powered by Cat engines. We finance both new and used equipment, and we structure deals of all sizes, from single-machine purchases to large fleets.

For more information, please contact your local Cat dealer or visit www.CatFinancial.com.