

# Lease Purchase Program



## Tupelo Fire Equipment

### **An Introductory Guide For Tupelo Fire Equipment**

**Included inside:**

General Information

Simple Funding Program

Benefits for You and Your Customer

Financing: A Simple, Cost Effective Alternative

Distributor Checklist and Finance Request Form

Blake J. Kaus • 800-752-3562 • [bkaus@baystone.net](mailto:bkaus@baystone.net)



# BAYSTONE FINANCIAL GROUP

We take great pride in providing our vendor clients with the highest level of service at the most competitive interest rates in the markets today. We are the industry leaders in the municipal & not for profit finance markets and hope we can assist you and your clients on your future finance inquiries.

Our basic philosophy in working with you, our vendor clients, is as follows:

*We recognize that you, our client, put a lot of faith in us to take care of your customers. We take this responsibility very seriously, and will treat your clients with the utmost professionalism and always provide them with quick responses & answers to their inquiries. In doing our best to assist your client with their financial needs, we hope to make the finance process an easy one and in turn provide your customer with yet another reason to return to you for future business.*

In summary, if you want low rates, five star service and a straight forward approach to business, give us a call.

We are confident you will enjoy the experience.

Sincerely,

*Blake J. Kaus*

Vice President

# I



## General Information

 **BAYSTONE FINANCIAL GROUP**

*"Specialists in Lease Finance"*

**Manhattan**

Chicago • Phoenix

800-752-3562; Fax (785) 537-4806

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# Tupelo Fire Equipment

## Municipal & Volunteer Fire Department Lease Program

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**Thank you for your interest in the Tupelo Fire Equipment Lease Purchase Program!** In association with Baystone Financial Group, we are pleased to offer your Municipal & Volunteer Fire Departments a simple, efficient, cost competitive lease funding program.

### The Tupelo Fire Equipment Lease Program offers...

- ✓ Financing available for as low as \$5,000 for NEW or USED equipment
- ✓ Lease agreements between \$5,000 & \$250,000 with no legal opinion & limited financial information (also known as our *Simple Funding Program*)
- ✓ Flexible payment terms & structures to meet the unique needs of your customer
- ✓ Straight-forward, easy to understand documentation
- ✓ Immediate processing of documentation & funding by our knowledgeable, professional staff
- ✓ Step by Step assistance throughout the entire credit and funding process
- ✓ Direct funding - which gives your customers Low Rates and Quick Responses on all requests
- ✓ In-house legal assistance on Municipal and Not for Profit transactions
- ✓ Wire Transfers for Vendor Payments
- ✓ Finance requests available through phone, fax, email or website
- ✓ **24 HOUR** Credit Approval – *Guaranteed on Municipal & Not for Profit Applications*
- ✓ Funding for individual leases, master leases, and National Programs

**Find out for yourself why the Tupelo Fire Equip. Lease Program is your  
*ONE-STOP* funding source!**

# *Who is Baystone Financial Group?*



Baystone Financial Group was founded in 1987 as a division of Kansas State Bank of Manhattan, Kansas. From day one, we have specialized in municipal and not for profit financing. Our fire & rescue staff has a combined 50 + years of experience in this sector of the industry. As a Division of Kansas State Bank, Baystone is the **DIRECT** funding source on all transactions. This means you are *paid promptly*, are *provided quick answers to all your questions*, and *receive quick finance quotes*.

Another value added service of working with Baystone is that we can provide financing for all of your customer's needs, from ambulances to stations, from rescue tools to thermal imaging cameras, from SCBAs to mobile radios. We are your **ONE STOP SHOP** for financing.

Our corporate offices are located in Manhattan, Kansas with satellite offices in Phoenix and Chicago. We have toll-free numbers, dedicated fax lines, e-mail and website accessibility at all of our offices for added convenience. With these capabilities, you can phone, fax, e-mail or submit your finance requests or questions online via our website. Our company also has a complete staff of financial and legal professionals to ensure that your transactions flow smoothly from start to finish.

Because of our affiliation with Kansas State Bank, we are able to provide multiple disbursements for a variety of products with various deliveries. *For example, if you have a customer which has ordered a Rescue System & Turnout Gear, there is a possibility that one of your products may be delivered a few weeks ahead of the other. We can structure the contract so that we can pay you for the product as it is delivered so you don't have to wait until it is all delivered before you get paid.*

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## II



# *Simple Funding Program*

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★ *Simple Application*

★ *Simple Contract*

★ *Simple Financing*

★ *Simple Solutions*

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It all adds up to Baystone Financial Group's Industry leading...

### *Simple Funding Program*

- ***One Page Credit Application***— For transactions up to **\$500,000**, and up to 15 years in finance term, only a one-page application and one year of financial history will be required.
- ***No Legal Opinion/Review Required*** (on qualified transactions)—Save time, money and eliminate the inconvenience typically associated with securing a legal opinion for a lease contract.
- ***Extended Finance Terms***—Terms available for up to 15 years on fire trucks and 20 years on real property transactions.

As always, with Baystone Financial Group as your financing source, you will continue to receive our high standard of service and benefits you have come to expect:

- ***Direct Bank Funding and Low Rates***—Because we are a division of a Bank, we can offer you personalized service, immediate response to all your questions, and the lowest interest rates available in the market today!
- ***Quick Quotations & Credit Review***—Baystone offers immediate bid quotations and 24 hour credit review.
- ***Quick Vendor Payment***—Because we are a bank, we can GUARANTEE quick payment to vendors via wire transfer or overnight check.
- ***Easy to Understand Documentation***—Our forms and contracts have been developed with a 'keep it simple and straight forward' approach.
- ***One Stop Financing***—Baystone can finance almost any purchase made by a municipality or not-for-profit entity from vehicles to copiers to buildings.



*"Specialists in Lease Finance"*

**Blake Kaus, Vice President**

[bkaus@baystone.net](mailto:bkaus@baystone.net)

**Ryan Sloan, Business Development Manager**

[rsloan@baystone.net](mailto:rsloan@baystone.net)

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Manhattan, KS 66502

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# Tupelo Fire Equipment

**FOR MUNICIPAL TRANSACTIONS UNDER \$500,000**

***Please fully complete the following information and fax to Baystone at (785) 537-4806:***

Legal Name of Lessee:			
Address:			
City:	County:	State:	Zip:
Contact Person:		Title:	
Email Address:			
Phone: (     )		Fax: (     )	
Alternative Contact Person:		Title:	
<b>Year municipal entity was established:</b>		<b>Does the Lessee self-insure for property &amp; liability?</b>	
Total Cost of Equipment:		Term (years):	
Down Payment*:		Source of Down Pmt:	Delivery Date:
Trade In:		Payment Amount: \$	
Other:		Payment Due: <input type="checkbox"/> Advance <input type="checkbox"/> Arrears	
Amount to Finance:		Payments: <input type="checkbox"/> Monthly <input type="checkbox"/> Semi – Annual <input type="checkbox"/> Annual <input type="checkbox"/> Quarterly	
Equipment Description-including make & model:			
New Equipment: <input type="checkbox"/> Yes <input type="checkbox"/> No     If used, please list age of equipment or manufactured date:			
Refurbished: <input type="checkbox"/> Yes <input type="checkbox"/> No     Year:			
Replacement: <input type="checkbox"/> Yes <input type="checkbox"/> No     Age of current equipment:                      Year Purchased:			
If not a replacement, why is the equipment needed?			
Buyout Included: <input type="checkbox"/> Yes <input type="checkbox"/> No     Amount of buyout being financed:			
Soft Costs Financed: <input type="checkbox"/> Yes <input type="checkbox"/> No     Amount of soft costs included: (shipping, software & sales tax)			
Describe the essential use of the equipment purchased:			
Physical location of equipment after delivery:			
<b>Has the Lessee ever defaulted or non-appropriated on a lease or bond?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No			
Will the Lessee issue more than \$10,000,000 in tax-exempt debt in this calendar year? <input type="checkbox"/> Yes <input type="checkbox"/> No			
<b>What fund will the remaining lease payments be made from?</b>			
Will the down payment be made at or before delivery?			
<b>Please attach 1 year of the most recent Financial Statement (Audits Preferred) if transaction is between \$100,000 to \$500,000 or greater than 5 years in finance term.</b>			

<b>Please Complete the Section Below for Transactions up to \$100,000</b>		
<b>Combined Total Funds of Lessee</b>	<b>Current Year (Actual YTD)</b>	<b>Prior Year (Actual not Budget)</b>
Total Revenue:		
Total Expenditures:		
Net Income:		
Fund Equity: (per Balance Sheet)		
Failure to consummate this transaction once credit approval is granted and the lease documents are drafted and delivered to the Lessee will result in a documentation fee being assessed to the Lessee. This fee will NOT be charged if the transaction is funded by Baystone Financial Group as agreed.		
*Proof of down payment is required prior to any disbursements being made to the vendor, unless otherwise negotiated.		
Completed By (signature):		Typed Name & Title:



# Tupelo Fire Equipment

## NOT-FOR-PROFIT TRANSACTIONS UNDER \$500,000

**Please fully complete the following information and fax to Baystone at (785) 537-4806:**

Legal Name of Lessee:			
Address:			
City:	County:	State:	Zip:
Contact Person:		Title:	
Phone:		Fax:	
E-Mail Address:		County:	
Alternative Contact Person:		Title:	
<b>Date entity was established:</b>		<b>Do you Self-Insure for Property &amp; Liability Insurance?</b>	
Total cost of Equipment:		Term (years):	
Down Payment:		Source of Down Pmt:	Approximate Delivery Date:
Trade-In:		Payment Amount: \$	
Other:		Payment Due: <input type="checkbox"/> Advance <input type="checkbox"/> Arrears	
Amount to Finance:		Payments: <input type="checkbox"/> Monthly <input type="checkbox"/> Semi – Annual <input type="checkbox"/> Annual <input type="checkbox"/> Quarterly	

Equipment Description-including make & model (please attach brochure if available):			
New Equipment:	<input type="checkbox"/> Yes <input type="checkbox"/> No	If used, please list age of equipment or manufacture date:	
Refurbished:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Year:	
Replacement:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Age of Current Equipment:	Year Purchased:
If not a replacement, why is the equipment needed?			
Buyout Included:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Amount of Buyout Being Financed:	
Soft Costs Financed:	<input type="checkbox"/> Yes <input type="checkbox"/> No	Amount of Soft Costs Included: (shipping, software & sales tax)	
Describe the essential use of the equipment purchased:			
Approximate Delivery Date:			
Physical location of equipment after delivery:			
<b>Has the Lessee ever defaulted or non-appropriated on a lease or bond?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No			
<b>What fund will the remaining Lease Payments be made from?</b>			
<b>Will the down payment be made at or before delivery:</b>			

**In addition to this application, please send a full copy of your most recent financial statement or tax return. If financial information is more than one (1) year old, please send an interim statement.**

Failure to consummate this transaction once credit approval is granted and the lease documents are drafted and delivered to the Lessee will result in a documentation fee being assessed to the Lessee. This fee will NOT be charged if the transaction is funded by Baystone Financial Group as agreed. \*Proof of down payment is required prior to any disbursements being made to the vendor, unless otherwise negotiated.

**"I hereby authorize the person, to whom this application is made, or any credit bureau or other investigative agency employed by such person, to investigate the references herein listed or statements or other data obtained from me or from any other person pertaining to my credit and financial responsibility."**

Completed By (signature):	Typed Name & Title:
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# III



## Benefits for You & Your Customer

 **BAYSTONE FINANCIAL GROUP**

*“Specialists in Lease Finance”*

Manhattan

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## *Leasing Benefits for You*



# Tupelo Fire Equipment

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- ✓ Simple to use
- ✓ Competitive rates & flexible terms
- ✓ You sell more equipment
- ✓ You are working with a Direct Banking Source
- ✓ Prompt payment at delivery – Quicker commissions to you
- ✓ Baystone Representatives will assist you in answering any financing & legal questions
- ✓ Quick response to all of your quote requests or questions
- ✓ National coverage & experience
- ✓ Trade show support

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e-mail: [bkaus@baystone.net](mailto:bkaus@baystone.net)  
[www.baystone.net](http://www.baystone.net)

# Leasing Benefits for Your Customer



## Tupelo Fire Equipment

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Many cities, counties, fire districts and volunteer departments are faced with the pressure that occurs when demands for their services outpace their financial resources. To cope with this problem, many organizations are now turning to a financing alternative that has long been recognized as a source of funding for large capital expenditures.

Developing a lease purchase plan with your Lease Representative is attractive because it offers organizations a number of advantages, such as:

- ❖ *Eliminates* the need for large, up-front cash outlays.
- ❖ Allows organizations to *eliminate* the *financial* and *operational challenge* of keeping worn-out or obsolete equipment in service.
- ❖ Provides clients with quick, professional & cost effective alternatives to their purchasing decision.
- ❖ Allows for greater budget *flexibility* because these plans can be tailored to fit the cash flow requirements of each individual organization.
- ❖ Provides for immediate use of the equipment with fixed, manageable payments.
- ❖ *Eliminates* the need for voter approval (municipal organizations only and in most states).
- ❖ Enables state and local governments to take advantage of low interest rates available to qualified political subdivisions.
- ❖ Allows an organization to purchase equipment at today's prices and not next years *increase*.
- ❖ *Maximizes limited budget funds*, as only the current years lease payments are included in the operating budget (municipal organizations only).
- ❖ *Frees up* additional capital for other pressing needs.

# IV



## Financing: A Simple, Cost Effective Alternative

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# Tupelo Fire Equipment

## Finance Program

*A Simple, Cost Effective Alternative*

Many Cities, Counties, Towns, Districts, and other political subdivisions are faced with pressure that occurs when demands for their services outpace their financial resources. In recent times, this pressure has become even more burdensome with the rising fuel and steel prices.

In order to keep up with a regular equipment replacement schedule, municipal organizations have to become more creative in finding alternatives to simply using their capital reserves to purchase their much needed equipment.

To cope with this problem, many political subdivisions turn to a financing alternative that has long been recognized as a source of funding for capital expenditures - ***Lease Purchase Financing***.

**Advantages of lease purchase financing.** Developing a lease purchase plan is attractive because it offers political subdivisions a number of advantages, such as:

- *Eliminates* the need for large, up-front cash outlays.
- Allows for greater *budget flexibility* because these plans can be tailored to fit the cash flow requirements of each individual organization.
- Enables cities, counties, fire districts, and volunteer fire departments to take advantage of *low interest rates* available to qualified political subdivisions.
- Allows an organization to purchase equipment at *today's prices*, not next years *increase*.
- *Eliminates* the financial and operational challenge of keeping worn out or obsolete equipment in service.
- *Maximizes limited budget funds*, as only the current year's lease payments are included in the operating budget and all municipal lease purchase contracts contain a non-appropriations clause.
- *Frees up additional capital* for other pressing needs.
- Provides the municipality with a *fixed, locked in payment and interest rate* which simplifies the budgeting process.

Under a typical lease purchase agreement, the political subdivision and the financing company, form an agreement for a given number of years. Structured to meet the subdivision's individual budgeting situation, payments can be made annually, semi-annually, quarterly, monthly, or any combination there of.

**Friendly Terms to Today's Financing.** Unlike 'traditional leasing' or 'rentals', lease purchase financing allows the user to build equity with every payment and gives them immediate title to the equipment. When the agreement expires, the political subdivision executes what is called a dollar buyout and owns the equipment free and clear. This is in contrast to other leasing programs where there is a large balloon payment or residual to satisfy at the end of the lease.

**When long-term costs are considered, a lease purchase may even result in a cost savings!!** At times, organizations feel they can only afford to purchase new equipment if they have a substantial down payment or can pay cash for the purchase. However, by delaying the purchase, the political subdivision is faced with normal manufacturer price *increases, inflation, as well as the cost of maintaining the existing equipment.*

To see the possible financial benefit of utilizing a lease purchase agreement, please review the examples below:

**Table 1**  
Outright Purchase vs. Municipal Lease Purchase Financing

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>TOTAL</b>
Purchase <sup>1</sup>	\$200,000	\$210,000	\$220,500	\$231,525	\$243,101	N/A
Finance <sup>3</sup>	\$44,000	\$44,000	\$44,000	\$44,000	\$44,000	\$220,000

**Table 2**  
Outright Purchase vs. Municipal Lease Purchase Financing

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>TOTAL</b>
Purchase <sup>2</sup>	\$200,000	\$220,000	\$242,000	\$266,200	\$292,820	N/A
Finance <sup>3</sup>	\$44,000	\$44,000	\$44,000	\$44,000	\$44,000	\$220,000

<sup>1</sup> Unit cost \$200,000. Average price increase of 5% calculated for years 2-5 on Table 1.

<sup>2</sup> Unit cost \$200,000. Average price increase of 10% calculated for years 2-5 on Table 2.

**MAINTENANCE COSTS OF KEEPING OLDER EQUIPMENT IN SERVICE NOT INCLUDED.**

<sup>3</sup> Based on purchase of one apparatus utilizing lease purchase financing over a five year term. First payment due at equipment delivery. Delivery assumed within 30 days. Unit cost \$200,000.

NOTE: These prices are for example purposes only. Please check with your local representative for pricing.

In summary, **Table 1** above illustrates that by the 3<sup>rd</sup> year it is a 'break even' scenario utilizing the finance plan to buy your equipment now vs. delaying buying the equipment. Table 2 illustrates that by just waiting one year, the costs of financing the purchase over 5 years is equal to delaying the purchase for one year. Keep in mind that this analysis **does not** include the additional maintenance cost associated with keeping obsolete equipment up and running.

For all these reasons, a lease purchase plan may make the most sense for a political subdivision in need of new equipment. For more information on how a lease purchase plan can help your department get your much needed equipment today, please contact Blake Kaus at Baystone Financial Group at ☎(800) 752 – 3562 or via e-mail at [bkaus@baystone.net](mailto:bkaus@baystone.net). **Getting a quote is easy, so call today!**

V



## Distributor Checklist & Finance Request Form

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# Checklist for Tupelo Fire Equipment



## Tupelo Fire Equipment

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- Complete the 'Finance Request Form' with information about the potential sale.
- Phone, fax, or e-mail this information to the person listed below. You will receive a customized lease quote the same day.

Blake Kaus

800.752.3562

Fax: 785.537.4806

e-mail: [bkaus@baystone.net](mailto:bkaus@baystone.net)

- Place the finance proposal in with your bid package.
- If the customer chooses to move forward with the financing, simply call Blake Kaus @ Baystone Financial Group. We will then:
  - Contact customer
  - Secure necessary financial information from customer
  - Send out financing contract (with credit approval)
  - Follow up on finance contract
  - Keep you informed of any developments
- 14 days prior to final delivery of completed unit, please call Baystone Financial Group. We will then verify all paperwork is in order so that we can wire the funds or overnight a check to you at delivery and acceptance of the unit.

***If any questions arise throughout the financial process, please call  
Blake Kaus @ Baystone Financial Group.***

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# Tupelo Fire Equipment

## Finance Request Form

### Distributor Information

Your Name: \_\_\_\_\_ Company Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number/E-mail: \_\_\_\_\_

### Customer Information

Organization Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_ Title: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Fax Number/E-mail: \_\_\_\_\_

Address: \_\_\_\_\_ City/State: \_\_\_\_\_

Customer Type (circle one):      Municipality      Not for Profit/VFD      Fire District

### Equipment Information

Equipment Description:		
	OPTION ONE	OPTION TWO
Total Amount of Equipment:	\$ _____	\$ _____
Down Payment:	\$ _____	\$ _____
Trade-In:	\$ _____	\$ _____
Other:	\$ _____	\$ _____
Amount Remaining to Finance:	\$ _____	\$ _____
Term (No. of Years):	_____	_____
Payment:    M    A    Q    SA	Advance or Arrears or 1 <sup>st</sup> pmt date _____	
Chassis Pre-Pay:	_____	_____
Date of Chassis Delivery:	_____	_____
Other Delivery:	_____	_____
Final Delivery Date of Equipment:	_____	_____

Once form is completed, please fax to (785) 537-4806 or email to [bkaus@baystone.net](mailto:bkaus@baystone.net)

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