

Doosan Global Finance Retail Lease Plans

We offer several flexible terms and structures based on seasonal cash flow or other needs in addition to these retail lease plans.

Fair Market Value Lease (FMV)

Provides the lowest monthly payments for retail financing, with the option to purchase the equipment at the end of the term for the fair market value, or return it.

FEATURES	BENEFITS
Level monthly payments	Fixed costs aid budgeting
Option to purchase for fair market value	Optional ownership
Lessee may claim payments as expense (subject to advice of tax advisor)	May provide tax benefits and minimize or negate the impact of "Alternative Minimum Tax"
Low payments over time	Conserves working capital
May provide planned replacement	At term end, equipment may be replaced with new unit

Fixed Price Purchase Option Lease (FPPO)

Provides low monthly payments and a fixed purchase option price to buy the equipment at end of term, or return it.

FEATURES	BENEFITS
Level monthly payments	Fixed costs aid budgeting
Option to purchase for fixed price	Optional ownership
Low payments over time	Conserves working capital
Equipment may be returned at lease end	Pay only for equipment use

\$1.00 Option Lease (\$1.00 Option)

Provides a full payout option under a lease contract. This structure is similar to a Loan & Security Agreement structure with ownership at the end of the contract.

FEATURES	BENEFITS
Level monthly payments	Fixed costs aid budgeting
Depreciation and interest deductions claimed by lessee (subject to advice of tax advisor)	Lessee takes full advantage of tax benefits
Low payments over time	Conserves working capital

(Continued on back)

Types of Leases

Accounting Perspective

Capital

This lease offers nominal ownership for the customer and is defined by the following guidelines:

- Meets any criteria per Financial Accounting Standards Board Number 13 (FASB-13).
- Structured with a minimum purchase price of \$1.00 at lease-end.
- Current value of payments exceed 90% of the cost of the equipment, regardless of the purchase option.

Operating

This lease is like a “Long-term Rental Agreement” that allows the customer the use of the equipment with the benefits of ownership but without the risk. Operating leases are defined as:

- Does not meet any of the criteria of FASB-13.
- Structured with the options to renew, return the equipment, or purchase it at its fair market value at lease-end.
- For accounting purposes operating leases are usually treated as off-balance sheet.

IRS/Tax Perspective

Non-Tax Lease

This is when the IRS considers the lessee the owner and is defined by the following:

- The title is not given to the customer until all payments have been made, including the purchase option payment.
- A predetermined purchase option that is below the expected fair market value has been agreed upon.
- The customer assumes the risks of ownership and, from a tax standpoint, is considered the owner.
- The lessor in this type of lease is considered from a tax standpoint to have provided the financing.

Tax Lease / True Lease

This is when the IRS does not consider the lessee the owner and is defined by the following:

- The lessee is likely to receive lower rental payments because the lessor will receive the benefits of depreciation in computing his/her tax liability.
- All payments on a Tax-Oriented Lease are tax deductible for the lessee.
- To qualify as a Tax Lease certain IRS guidelines must be met which are not the same as the FASB-13 criteria used to determine Operating or Capital Lease status.

Lease Classification (At a glance)

To summarize the tax and accounting classification on leases from the lessee’s viewpoint:

	Tax Lease	Non-Tax Lease
Tax	Lessee does not take tax benefits	Lessee takes tax benefits
Accounting	Operating Lease	Capital Lease

A Tax Lease can be either an Operating Lease or a Capital Lease, just as a Non-Tax Lease can be either an Operating Lease or a Capital Lease. Since the criteria for determining treatment differ between accounting and tax it is possible to be considered the owner for accounting purposes (Capital Lease) and not be the owner for tax purposes, and vice versa. The lessee’s accountant and tax advisor must make the classification determination.

Please note: The information contained herein is not to be considered definitive tax, accounting or financial advice. The customer should have his tax advisor or accountant review all of the lease classification options.

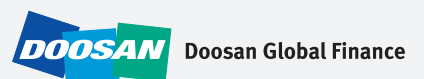
For more information, call your sales representative at:

800 355 9864

Call us today to ask us about:

Retail Loans ■ Fair Market Value Leases
Fixed Price Purchase Option Leases
\$1 Option Leases ■ Rental Fleet Financing
■ Wholesale Financing Asset Based Lending

We also provide services in these industries to accommodate all your capital needs: Forklifts ■ Trucks & Trailers ■ Office Equipment ■ Information Technology Telecommunication



Doosan Global Finance

1111 Old Eagle School Road
Wayne, PA 19087

T 800 355 9864

F 866 287 1176

www.doosanglobalfinance.com