

ADVANTAGES OF FINANCING WITH MAG TRUCKS

100% Financing: Unlike many bank financing programs you can enjoy the benefits of including soft costs, installation and shipping into one low monthly payment without large down payments or compensating balances.

Tax Treatment: When properly structured, lease payments may be a tax deductible business expense paid from pre-tax earnings rather than after tax profits.

Working Capital Preservation: Our products help you keep your working capital - WORKING! Down payments are minimal, or not required at all, which provides you the option of investing in more revenue generating opportunities.

Flexibility and Customization: MAG TRUCKS provides you a program tailored to fit your specific needs, including seasonal payment plans and end-of-term options that provide for industry or equipment specific residual assumptions.

Balance Sheet Management: In addition to the positive impact that many of our products have on your organization's working capital, we can often help you structure a lease that will qualify for off-balance sheet treatment under FASB 13. This "Operating Lease" structure helps you maintain important balance sheet ratios as there is not a Balance Sheet effect.

Transaction Financing: Normally, we do not ask for additional collateral or security which helps to preserve existing banking/financing relationships.

Other Key Considerations:

- Allows your company to capitalize on unbudgeted opportunities and needs.
- Simplifies bookkeeping (leasing) through the elimination of depreciation accounting.
- Permits the immediate ordering of needed equipment while meeting payments with tomorrow's inflated dollars.
- As a practical matter, payments may be met or exceeded through increased revenues or labor savings...thus having no actual cost to your organization.
- Technology Risk: Under a Lease the risk of obsolescence is transferred to the lessor.