



**UNION**  
LEASING

January 2008

## LEASING SERVICES

### Open End Lease

Our signature financing product combines the flexibility of ownership with the cash flow advantages you get with leasing. The Open End lease (or Trac Lease as it's often called) has become a popular choice for many customers for a number of reasons.

#### An Open End Lease:

- Frees up capital for more vital capital expenditures.
- Allows you, in most cases, to show the minimum lease payments within the notes of the financial statement and off the balance sheet.
- Gives many customers an opportunity to expense the monthly lease payments.
- Can eliminate up-front tax fees in most states.
- Allows you to match depreciation with actual driving patterns and market conditions and lets you adjust depreciation if trends change.
- Eliminates surprises on the back end. You are responsible for principal balance instead of market value.
- Gives you a menu of lease structures to optimize cash flow.

### The Right Rate For You

In the effort to always deliver the best leasing service option for our clients, Union Leasing provides both floating and fixed rate options for Open End leases.

#### Floating Rate

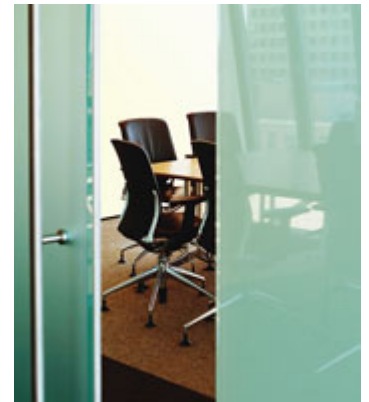
Union Leasing currently employs two indices: Libor and Prime. The interest portion of your rate adjusts to reflect any change in the base rate. Libor rate adjusts monthly; the Prime adjusts for the next billing cycle after every rate change.

#### Fixed Rate

Fixed rates are based on the Prime rate established at the inception of the lease and remain fixed throughout the term. As with the floating rate, both the Level and Step payment options are available. The Level payment is based on an amortization table that establishes the depreciation and interest charge for that month. Each month your principal reduction increases while your interest charge decreases, resulting in fixed level payment.

### NEWS AT A GLANCE

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- ILLINOIS EPA BEGIN LICENSE PLATE RENEWAL ENFORCEMENT
- IMPORTANT NEWS FOR YOU
- FINANCE THE PURCHASE OF YOUR COMPANY VEHICLE



### U-FIRST

#### Our Pledge to You

We at Union Leasing treat every customer as if they are our first customer. Your business needs will never exceed our efforts to meet them.

**There is no Union without U.**



## ILLINOIS EPA BEGIN LICENSE PLATE RENEWAL ENFORCEMENT

### **Illinois EPA Begins License Plate Renewal Enforcement for Vehicle Emissions Inspection Program**

Illinois Environmental Protection Agency (Illinois EPA) Director Doug Scott has announced a change in the enforcement process for vehicles which are currently subject to the vehicle emissions testing program in Northeastern Illinois and Metro-East St. Louis.

The Illinois EPA will send new, yellow-colored test notices to owners of vehicles subject to testing with January 2008 or later license plate expiration dates. The notices will explain that vehicles must now comply with emissions test requirements before the vehicle's license plate can be renewed. Previously, motorists whose vehicles were not in compliance with vehicle inspection requirements could have their drivers' licenses and vehicle registrations suspended.

The Illinois EPA mails test notices approximately four months before license plate expiration. Pink warning notices will no longer be sent. This will be the only notice sent by the Illinois EPA.

The Secretary of State will send license plate renewal notices approximately 45 days in advance of license plate expiration. This notice will remind motorists of the need to comply with vehicle emissions inspection requirements.

Motorists may have their vehicle tested as soon as they receive the test notice and are encouraged to test as soon as possible. If the vehicle is rejected or fails the inspection, this will provide ample time to repair the vehicle and have it re-inspected before the vehicle's license plate expires.

For the majority of motorists who keep their vehicle inspections current, these changes to the emissions inspection law passed by the General Assembly in 2006 will have little impact. Motorists with questions about the program can call 847-758-3400 or 217-785-7449.

## IMPORTANT NEWS FOR YOU

### **CITY OF CHICAGO INCREASE USE TAX RATE**

As of January 1<sup>st</sup>, 2008 the city of Chicago has increased the use tax rate from 6 percent to 8 percent.

### **CALIFORNIA DMV INSURANCE REQUIREMENTS**

Back in January of 2007, California started enforcing the new insurance notification law. The law requires insurance carriers to electronically report proof of coverage for all private-use and Commercial use private-passenger vehicles' (covered by a commercial fleet policy) liability policies to the Department of Motor Vehicles (DMV).

### **SLUGGISH ECONOMY AFFECTING RESALE VALUES OF LUXURY VEHICLES**

The struggling U.S. economy is now having a negative impact on the resale value of premium sporty and prestige luxury vehicles. The resale value of luxury vehicles had an average depreciation of nearly \$3,000 over the last three months.



## FINANCE THE PURCHASE OF YOUR COMPANY VEHICLE

**Your Union Leasing Account Manager will guide you** through the process of your company's purchase program step by step.

All you have to do is fill out a loan application. We do the rest.

- IFS works with full spectrum national lending partners allowing us to assist perfect or imperfect credit backgrounds.
- All loans are simple interest—no prepayment penalty.
- The process is quick. In most cases we can have a loan decision for you within 24 hours.
- An IFS Advisor will work with you, personally, from the beginning to the completion of the transaction.

**Extended Service Contracts** are available for your added security and convenience. You can be assured that you will be protected in the event that something goes wrong with your vehicle.

- All of our service contracts are backed by top rated insurance companies.
- Coverage can be easily transferred upon selling your vehicle.
- You can finance the cost of your Extended Service Contract in a loan or purchase separately.
- You also have the luxury of adding a coverage to a vehicle you currently own.



Would you like to **PURCHASE** your company vehicle?

INNOVATIVE FUNDING SERVICES  
**UNION LEASING IN CONJUNCTION WITH IFS**

Is pleased to announce you can easily **FINANCE** Your company vehicle for a **LOW PRICE.**



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