



# Answering your Lease by the Hour<sup>SM</sup> questions

## **Are Full Maintenance contracts required?**

Yes.

## **Are telemetry devices required to transmit meter reads?**

Yes.

## **If my Customer has 2x the usage of the Minimum Monthly allowed hours, does the equipment still have to remain in place until the end of the Maximum Term?**

No. The purpose of creating the Lease Cost Per Hour is to bill overage that is required to end the lease early. This allows the Customer to return the equipment when the Maximum Hours are reached, which supports Lifecycle Asset Management and lowers Total Cost of Operation.

## **How are the extension options calculated?**

Month to month extension is 80% of the original monthly payment.

## **What are the customer's options at the end of the initial lease term?**

The customer has the following options at the end of the initial lease term:

- Return the equipment
- Continue to lease month-to-month at 80% of the original monthly payment, and 80% of the original Lease Cost Per Hour.
- Purchase the equipment

## **Is Lease by the Hour<sup>SM</sup> only available in FMV Leases?**

No. Fixed Price Purchase Options (FPPO) can be utilized as well.

## **What are the dealer's options if the customer elects to return the equipment at the end of the initial term?**

The dealer has the same options available in normal FMV or FPPO leases if the customer elects to return the equipment after the Maximum Term.

## **Is there a limit on the "Month to Month" extension?**

No. When equipment is eligible for extension it will have reached its maximum hours. Full maintenance contracts should be re-negotiated or switched to Time and Material (and Sennebogen Capital notified so billing will reflect new Maintenance rates or changes in terms).

## **What models are eligible?**

All makes and models of equipment currently financed by Sennebogen Capital.

## **Is the program limited to these models?**

Yes.

## **Does the Lease by the Hour<sup>SM</sup> qualify for financing rates offered by Sennebogen Capital?**

Yes.

## **Am I limited to annual operating hour restrictions?**

No.

## **Can this program be used in Canada?**

No. At this time, the program is only eligible for the US market.

## **Any other restrictions?**

Not currently available in Maine and Illinois.