

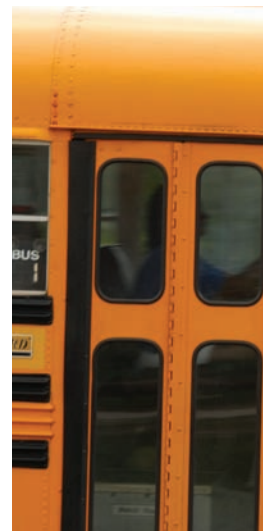
BAYSTONE

Specialists  
in Lease  
Finance



## BAYSTONE FINANCIAL GROUP

Communities depend on local governments to supply vital services. Police officers, firefighters, teachers, and many others devote their lives to making our lives better. At Baystone Financial Group, we team with municipalities and other public service providers every step of the way. From the quote to the credit, and from the first phone call to the final check, **we will demonstrate our commitment through everything we do.**



## WHAT OUR CLIENTS SAY

"Everyone is really nice, very professional, and always extremely helpful. Baystone is second to none; their rates are extremely competitive and their service is beyond reproach. If they have a competitor that offers a better overall program, I'm not aware of them."

— Brad Schwoebel  
Highland Public Capital  
Leeds, AL

About Baystone



SIMPLE

Application  
Contract  
Funding  
Solutions

## Who We Are

Baystone Financial Group is **one of the largest municipal finance teams** in the country, supporting the work of thousands of fire departments, school districts, and municipalities throughout the United States. At Baystone, we understand our clients keep communities running. Our respect for the value of their work pushes us to be **prompt, accurate, and straightforward** every day, in everything we do.

Founded in 1987 as a division of Kansas State Bank, with a **highly experienced staff** of financial and legal professionals, we know our business. We have the **financial capabilities of a national bank** and offer the **personalized service of a local provider**. Our job is to do more than just provide cost-effective funding; it is to develop **long-term relationships** that **enable our customers to enhance their communities** year after year.

“Quotes and proposals are quick and accurate, just like I need them to be. Everybody is very knowledgeable, very courteous on the phone. If they don't have the answer, they find somebody who does and get back to me right away.”

— Kirby Brier

Thomas Bus Sales of Iowa, Inc.

Des Moines, IA

## How We Serve

Our clients are busy responding to emergencies, educating our children, maintaining our infrastructure, and protecting the public. Whether they are **vendors, municipalities, nonprofit organizations**, or **brokers**, they are all contributing to their communities by making these services possible. Our clients deserve **low, competitive rates** and **flexible terms**, plus a lot more. That's why we use our expertise, resources, and imagination to tailor **customized solutions** that address their specific financing needs. We help our clients thrive through **relationships built over time**, through every phone call and every transaction, long after the contract has been signed.

Our specialty is **lease purchase financing**, which allows municipal entities to buy essential equipment through manageable installment payments. We also offer **federal lease financing** for government agencies. With Baystone you will usually receive **quotes on the same day and always within 24 hours**, and there are **no closing costs or hidden fees**. Working with a **direct lender** ensures you get low rates and **quick credit responses**. And our **in-house legal department** helps you successfully navigate the unique laws in your state that apply to tax-exempt organizations.

## Lease Purchase Financing

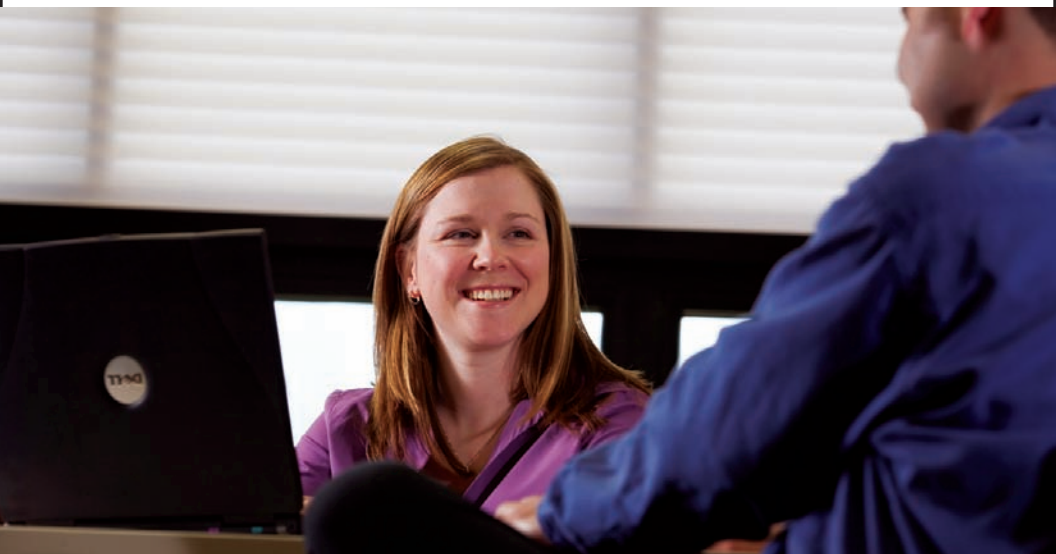
### What Is Lease Purchase Financing?

As cities, counties, schools, fire districts, and other municipal entities work to serve their communities, they often need equipment, but are without the immediate financial resources to address those needs. At Baystone Financial Group, we specialize in lease purchase financing (LPF), allowing municipalities to efficiently purchase vital equipment such as fire trucks or new computers without large, up-front cash payments. Unlike captive lending programs, Baystone finances both **new and used equipment, from any manufacturer.**

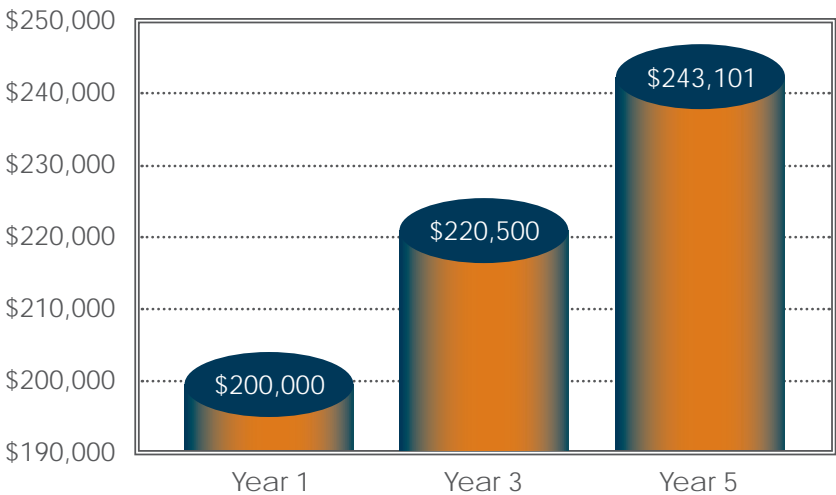
LPF through Baystone can help our clients pay for **big-ticket items** such as vehicles and buildings, or it can be used to fund **essential smaller purchases.**

We work with:

- **vendors** who want to offer their customers a fast, clear-cut financing process;
- **municipalities and nonprofits** that need to partner with a solid lender; and
- **brokers** who need financing options their customers can count on.



## The cost of delaying an equipment purchase



A 5% annual increase in purchase cost is assumed.

Waiting to purchase equipment costs you money! For example, delaying a \$200,000 purchase until Year 3 costs \$20,500 more. Buy it now with lease purchase financing, own it outright at the end, and avoid maintenance costs on old equipment.

By taking advantage of LPF in Year 1, a fixed rate and level payments are locked in, making it easy to budget for the future. There is no large, up-front cash payment required and by the end of Year 5, the equipment is paid in full!

## How Lease Purchase Financing Works

Lease purchase financing allows municipalities to **purchase property and equipment through installment lease payments**, which can be made monthly, quarterly, semi-annually, or annually. As payments are made, the municipality — which maintains ownership of the equipment — **builds equity** in its investment.

For municipalities, LPF is a year-to-year commitment to make lease payments, not a commitment to pay debt. Because LPF contains a non-appropriation or “funding-out clause,” in most states, **no voter approval is necessary** to enter into the agreement.

## We provide financing for:

- Fire Departments
- Schools
- Public Health and Safety
- Public Works
- Public Administration
- Community Service
- Brokers



“Baystone will send us the initial quote but they don’t contact the customer until we’re ready for them to. But once the word is ‘go,’ Baystone takes care of all the paperwork and helps keep the customer on track from that point on.”

— Randy Clark  
Clark’s Truck Center  
Jericho, VT

## Benefits of Lease Purchase Financing

### Affordable

- No large, up-front cash outlays
- Competitive interest rates
- Avoids price increases by locking in purchase price
- Eliminates cost of maintaining worn-out equipment
- Only current year's lease payment is included in operating budget for municipalities
- Frees up capital for other needs

### Flexible

- Tailored to financial situation of each customer
- Customized payment terms and structures
- Multiple items under one lease or individual leases
- National vendor programs
- Extended finance terms — up to 15 years on fire trucks and 20 years on real property

### Hassle-Free

- Straightforward documentation
- No hidden fees or closing costs
- Fast credit approval
- Quick document processing and funding
- Not considered debt
- Simple Funding Program for \$5,000 to \$500,000  
(see the Simple Funding Program section)

## Simple Funding Program

### What Is the Simple Funding Program?

Municipalities and nonprofit organizations need **funding for equipment and property** to support their communities. But the finance process can be confusing and time-consuming. Lease purchase financing through Baystone Financial Group is the answer. With our industry-leading Simple Funding Program, we have made the process **quick and uncomplicated**. We listened to our clients and developed this program with their requests in mind.

### How the Simple Funding Program Works

For equipment or property that costs less than \$500,000, our clients simply complete a **one-page credit application** and submit **one year of financial history**. That's it. Once credit approval is received, we prepare the contract with **no legal opinion required**, saving both time and money. And as a division of a bank, we can provide **low, very competitive interest rates** and **quick payment to vendors**.



### Benefits of the Simple Funding Program

- Streamlined documentation
- 24-hour credit approval
- No legal opinion required
- One-page credit application
- One year of financial history

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“When I first visit with superintendents and find out that financing may be an issue, I tell them that Baystone has simple financing and how that truly describes the process. I have yet to have any superintendent tell me it's been a painful process. Baystone has really done a great job in simplifying things.”

— Tammy Goodbrake  
Master's Transportation  
Kearney, NE

## Multiple Award Program (MAP)

Baystone's Multiple Award Program, or MAP, is an additional resource for our customers, and represents our **partnerships with buying cooperatives** administered



by the federal government, state government agencies, and other nonprofit entities.

Buying cooperatives provide an **alternative to the open bid solicitation** typically required to buy or finance equipment. Through a submission and selection process, the cooperative **pre-approves certain vendors and lenders**. This gives municipalities the benefit of purchasing equipment and services at competitive, pre-arranged prices, without the time, effort, and expense of the traditional solicitation process.

Whether you are a vendor using a cooperative to sell your equipment and need to recommend a reliable lender, or a municipality that needs to buy and finance essential equipment, Baystone is here to help. Through our association with numerous cooperatives, we can provide our customers with an additional funding resource. The cooperatives we work with include:

Mohave Educational Services Cooperative

Houston-Galveston Area Council (H-GAC)

General Services Administration (GSA) Schedule

Ohio State Term Schedule (Ohio STS)

Texas Multiple Award Schedule (TXMAS)

GS \$Mart / Lease \$Mart

For more information on Baystone's MAP resources, please call us at 800.752.3562, or visit our website at [www.baystone.net](http://www.baystone.net) for a current listing.

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