

FREQUENTLY ASKED QUESTIONS - LEASING

Q: Exactly what has to happen before I can receive the equipment?

A: qdata reviews the credit information supplied on the application. A leasing professional reviews the process and documents with you and qdata. Documents are prepared. You read carefully, sign, date and return documents - and when qdata has the documents the equipment is released.

Q: If I have questions during the term of the lease, whom do I contact?

A: qdata is your first point of contact. qdata will work on your behalf to ensure all your questions are answered.

Q: What are my options at end of lease?

A: Depending on the terms you choose, a lessee has an option of continuing to lease, purchasing the equipment, or returning it to the Leasing Company. Should you choose to purchase the equipment, the purchase price is determined by the Fair Market Value (FMV) of the used equipment. Another option is the \$10.00 Buy Out, at end of lease, they pay just \$10.00 to purchase the equipment.

End of term options are decided by you and structured into the lease prior to execution.

Q: May I end my lease early?

A: If you choose to end the lease early, you may. It is a rare situation that would make terminating a lease during its term an advisable option. However, it is based on balance of payments plus tax and any payment arrears. We attempt to maximize your options with equipment upgrade programs.

Q: What about insurance?

A: To protect both the Leasing Company and Lessee, insurance is required on all leased equipment. Insurance protection can be included for a nominal fee.

Q: How will I be billed?

A: You may have the payment set up to automatically debit your bank account or under special circumstances only, arrangements can be made to invoice you.

Q: If my company is new, can I still lease?

A: Yes, pending credit approval and the completion of all required documentation. A security deposit may be required. Contact a qdata Account Executive.

Q: How much does leasing cost?

A: Leasing is not expensive. Your monthly payments are determined by the options you choose and of course the equipment you lease. If you want to know how leasing effects your bottom line when compared to other options, please visit www.qdata.com/leasing for more details.

Q: How is the monthly payment calculated?

A: Monthly payments are determined by a Lease Rate Factor: a periodic rental payment to a Lessor for the use of assets. Lease rate factor X equipment cost = a customers monthly payment.



FREQUENTLY ASKED QUESTIONS - LEASING

Q: How much do I have to pay upfront?

A: A typical lease would require first and last payments in advance. Other options are available upon request.

Q: What factors are used to determine credit worthiness?

A: The elements of your lease application, time in business (if applicable), references from banks and trades. Personal and / or credit bureau ratings will be reviewed (specific to each lease request).

Q: What affect does leasing have on my bank line of credit?

A: With a lease no money is borrowed. Your bank line is unaffected.

Q: What if the equipment I receive has problems?

A: You will be contacted when your shipment arrives to ensure you have received what was ordered. After receipt of the equipment, qdata will support or replace equipment as defined in the warranty. A customer receives benefits of all "buyer" warranties and is responsible for maintenance.

Q: Who owns leased equipment?

A: The Leasing Company, as Lessor, is the owner of leased equipment unless you decide to purchase the equipment at end - or during the lease term.

Q: Who services/maintains equipment?

A: You receive the benefits of all "buyer" warranties and are responsible for maintenance. Once the equipment is off warranty you have the responsibility to ensure the equipment remains in good working order. Speak with a qdata Account Executive regarding qservices/maintenance programs.

Q: Can equipment be purchased at the end of the lease?

A: Yes. You can choose to continue to lease, to purchase the equipment, or to return the equipment to the Leasing Company.

Q: How does a customer account for the lease?

A: The options you choose upfront may have tax and accounting implications. You should speak with our qdata Controller and/or VP Operations and we strongly urge you to speak with your Finance/Accounting team to determine your best option(s).

Q: Are leases tax deductible?

A: Tax Treatment of Leases

For tax purposes operating lease payments are a tax-deductible expense for the lessee (the customer), and the lessor (the owner of the equipment), claims Capital Cost Allowance (CCA). We strongly urge customers to speak with their Finance/Accounting team to determine the best option(s) for them.



FREQUENTLY ASKED QUESTIONS - LEASING

Q: What about sales tax?

A: Applicable sales tax is added to the monthly payment over the term of the lease.

Q: I have changed banks. What should I do about my pre-authorized payments?

A: Fax a void copy of a cheque from your new bank account along with your name, the name that the lease is under, and the lease number (if available) to 905.477.0874 or email your Account Executive. Also, please indicate when the new account is effective at least 15 days prior to the next lease payment. We will make sure the funder is notified of the change in your banking information.

Q: My lease term is near its end. What do I do?

A: To determine the choices you have with your lease, you should contact your qdata Account Executive before the end of the term or option date. He/she will let you know your available options are, such as the option amount etc.

Q: I have a new lease and have received a letter requesting proof of insurance for the equipment. What do I have to do?

A: You have 2 options:

If you do have insurance coverage on the leased equipment, you need to provide us with a copy of your insurance policy with specific loss payee information. Alternatively, we can fax you a Proof of Insurance form for your insurance broker to fill out. Once it is completed, the form can be faxed to 905.477.0874 or contact your qdata Account Executive.

If you do not have insurance coverage and do not want to arrange insurance, the funder for the lease will provide insurance coverage. In this case the cost will be passed on to you through your lease payments. If you would like to take advantage of this service, please contact Equilease/qdata.

Q: I need a copy of my lease for my records. Who should I contact?

A: Please contact qdata.