This way out!

A Guide to the End-of-Lease Process

As your customer's lease comes to end of term, there are several options for you to consider. Understanding the options available helps you maintain control of future sales and of the relationship. And we're here to help you through the process. You, the dealer, have control of the process and, PNC will only negotiate a selling price directly with you at lease end.

So, your customer's lease is coming to end of term. What happens next?

At lease end, customers have several paths from which to choose including: **Return** the equipment, **Purchase** the equipment or **Renew** the lease.

This information is intended to help you and your customers navigate the end-of-lease process.

For additional questions you or your customer may have, simply contact your PNC Vendor Finance Program Manager – US.

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DOOSAN   PNC | VENDOR FINANCE

End-of-Term Notifications

Long before a lease contract terminates PNC Vendor Finance is there to help guide both the originating Dealer and the Lessee through the process. Notification is automatically sent to you 180 days prior to lease end reminding you of the maturity date and your customer's possible end-of-lease options.

See reverse side for details.

Equipment Return by Lessee

A Lessee must provide PNC Vendor Finance (“PNC”) written notice no later than 90 days prior to the end of the lease of their intention to return the equipment as stipulated in the Lease Agreement. PNC will then contact the Dealer and advise them of the pending return. PNC will also make arrangements for an inspection to be completed at the customer’s location prior to return.

At the end of the term, the equipment will be returned to the Dealer at the Lessee’s expense and re-inspected when it arrives. The equipment should be returned in rental ready condition, immediately available for use or purchase by a third party. Please refer to the lease documents for the complete return provisions.

If there are any damages or overtime charges due at the time of the return, these will be billed and paid to PNC directly by the Lessee. PNC may, at its own discretion, choose to negotiate a settlement of these charges with the Dealer based on the Dealer’s purchase of the equipment.

A copy of the inspection report to determine if the equipment meets the lease return provisions will be provided to PNC not later than one week after the return to the Dealer.

It is expected that the Dealer will store the equipment securely for PNC at no charge for a period not to exceed 180 days. Electric forklifts will be stored indoors.

DEALER RIGHT OF FIRST REFUSAL

If Lessee does not purchase the equipment and the equipment is returned to the Dealer, they are given the first right of refusal to purchase all, but not less than all, of the equipment at 100% of the residual equipment value for a period not to exceed two weeks from the date of the return.

If the Dealer elects to purchase the equipment during that period, PNC will invoice the Dealer. Payment is expected within 14 days of the date of the invoice.

If the Dealer chooses not to purchase within two weeks, the forklifts will be made available to other Doosan Forklift Dealers for purchase for a period not to exceed 10 additional weeks. If the installing Dealer has made the highest acceptable offer, they will be afforded the first opportunity to purchase.

REMARKETING

If after approximately 10 weeks, but not more than 10 weeks, at PNC’s sole discretion, if no acceptable offers have been received from Doosan Forklift Dealers, PNC will pursue outside efforts to remarket the equipment.

If the original selling Dealer is not an authorized Doosan Forklift Dealer at the end of the lease term, PNC reserves the right to determine the equipment return location for FMV leases at its sole discretion.

Lease Renewal

If the Lessee decides not to Purchase or Return the Equipment, the lease will go into automatic month-to-month renewal until the Lessee decides to Purchase or Return the Equipment. Renewal terms may be negotiated by PNC with the Lessee as warranted.

The Dealer cannot purchase equipment on renewal without the prior written consent of the Lessee and agreement by PNC.

Equipment Purchase by Lessee

If the Lessee contacts PNC and inquires to purchase the equipment at the end of the lease, PNC will collect the Lessee information and contact the Dealer and the Dealer will be the point of contact/customer facing for end-of-term negotiations.

The Dealer will be given a purchase price at 110% of the residual value, and the Dealer will then add their profit and conclude the sale to the Lessee. If the Lessee decides to purchase the equipment, PNC will invoice the Dealer at 110% of the residual value.

Payment is expected within 14 days of the date of the invoice. PNC will not negotiate a sale price with the Lessee at the end of the original term of the lease without the consent and agreement of the Dealer. If the Lessee rejects the offer, they may exercise another end-of-lease option available to them.