Equipment Financing & Leasing FAQs[1]

- **How can financing impact cash flow?** Financing can mean you avoid a large outlay of upfront cash while acquiring business equipment with convenient monthly payments. Payments may be structured to match your cash flow. You may also take advantage of our $0 down and deferred payment options.
- **What can be financed?** Finance nearly anything for your business including new or used equipment, technology or 100% software. You may also bundle shipping, installation, tax, maintenance and other costs associated with your asset(s). This is referred to as 100% financing. Typical loans may fall short since traditional financing may only cover the asset cost, leaving you to use cash to cover the rest.
- **What benefit(s) exist with financing versus using cash?** Your finance contracts with Ascentium should not affect your line of credit. An equipment lease provides another means of accessing capital. Using cash for equipment can deplete cash reserves and potentially affect credit worthiness. Save credit lines for working capital, payroll, marketing or other business items.
- **How can finance payments be made?** Ascentium has flexible payment options including ACH and online payments through our portal: *Account Butler*. Plus, you may pay via a credit card: American Express, Visa and MasterCard. When paying by credit card, processing fees may be applied.
- **What options exist to pay the contract off early?** An early buyout may be figured if the account is in good standing and meets additional requirements. The payoff is calculated using a present value rate to discount future payments.
- **What impacts the rate?** Rates vary by term, transaction size, creditworthiness, market conditions and other factors.
- **Is Ascentium Capital a direct lender?** Yes, Ascentium Capital funds its own transactions. In addition, we may work with other funding sources to get your transactions approved or offer special financing products.
- **What tax benefits may be available?** Non-tax leases such as $1 Buyouts, Purchase Upon Termination Contracts (PUT) and Equipment Finance Agreements (EFA) may be attractive to businesses that qualify and want to take advantage of Section 179 (accelerated depreciation). Portions of your monthly payments may also be deductible. True leases, such as Fair Market Value (FMV) leases, may lower your taxable income since rent payments are typically deductible. Consult your tax advisor for details and the specific impact to your business since each company's situation varies.
- **When is insurance required?** If insurance is required during the contract term, you'll receive an email and a letter outlining the requirements. We also offer automatic insurance where the equipment is covered under Ascentium Capital's insurance if you do not provide your own.
- **What happens to the equipment at the end of the contract?** You own the equipment at the end of the lease when the contract is paid in full on $1 Buyouts or PUT Leases. For property financed via an EFA or Installment Payment Agreement, you own the equipment and Ascentium will release the lien when the contract is paid in full. For true leases with a FMV purchase option, at the term expiration and provided you are not in default, you may purchase the equipment for its then fair market value or return the equipment in accordance with the return provision. For Rental Agreements, the equipment is rented and at the end of the term you may continue to rent or return the equipment.

Contact us for more information or for a no obligation quote:

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1Financing based on credit approval. Contact your tax advisor regarding potential tax incentives. Loans made or arranged pursuant to a California Financing Law license.