

The Municipal Finance Authority of BC is no longer accepting any new leases. The last day for accepting new leases was December 24, 2014. The MFA is pleased to offer our clients a new Equipment Financing Program in its place. The Equipment Financing Program is structured in a very similar manner to the Capital Leasing Program but includes a few added benefits. Please see the table below for a comparison (similarities and differences) of the two programs. This new Equipment Financing Program will be available on January 15, 2015. Leases that are already in progress, or have already been applied for, will be completed as part of the Leasing Program.

<b>EQUIPMENT FINANCING PROGRAM</b>	<b>LEASING PROGRAM</b>
Monthly Principal and Interest payments calculated on the last day of the month, taken by EFT on the second business day of the next month	Monthly Principal and Interest payments taken by EFT on the 28 <sup>th</sup> of the month
Variable interest rate based on the monthly CDOR rate, currently at 1.79%	Variable interest rate based on the Prime rate (Prime – 1), currently at 2%
5 Year Agreements. Loan may have a longer amortization period with proof of public approval	5 Year Agreements. Lease could be renewable with proof of public approval (residual)
Section # 175 of the Community Charter Or Section # 819 of the Local Government Act	Section # 175 of the Community Charter Or Section # 819 of the Local Government Act
No Documentation or Asset Fees	Documentation and Asset Fees
No tax collected	GST and PST charged on monthly payments
Local Government owns the asset	Ownership of asset held by the MFA until the end of the lease term
Resolution, short term loan agreement and promissory note must be signed. Application online lists the documentation needed	Lease Agreement must be signed. Other documentation listed on the website
No penalties or fees for paying out early. A payout can take place at any time, extra principal payments may be made at any time	Fee for de-registration of asset charged on payout of lease
Loans funded once. If additional funds are required, a new loan agreement must be signed	New agreements needed for roll over or changed leases, with new fees charged.