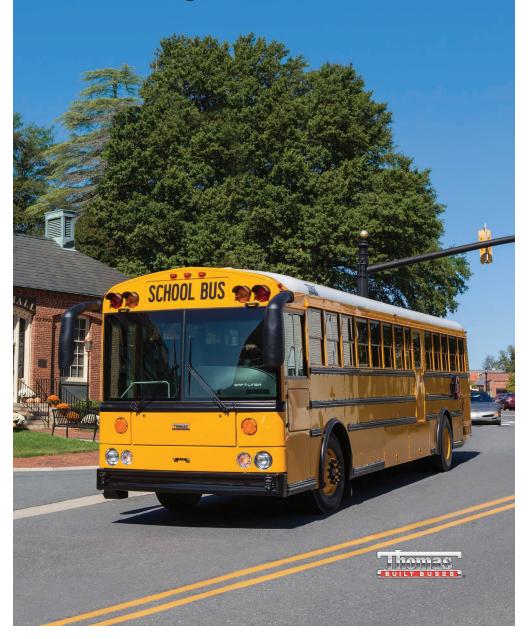
Daimler Truck Financial

Bus Financing for Municipalities





Thomas Built Buses is committed to building buses that give you peace of mind, day after day, mile after mile.

And as the captive financial services provider for Thomas Built Buses, Daimler Truck Financial genuinely understands the priorities of the pupil transportation industry. There is a lot riding on you, and our focus is helping Thomas Built customers get the financing required for the buses needed to provide safe, environmentally-friendly transportation.

We Understand Your Business

We know that having buses that provide the lowest cost of ownership while making the most of your operating budget is a primary concern for municipalities. Daimler Truck Financial finance programs are tailored to your municipality's needs. We can help ease budgetary concerns and enable you to acquire the transportation equipment you need today while allowing you to pay for it over time.

Our bus financing experts work to provide the most competitive, most cost-effective municipal finance programs available. In addition to simple-interest retail loans, we can also offer tax-exempt¹ municipal financing programs, which can increase your purchasing power and stretch your appropriated budget.

Daimler Truck Financial has extensive experience partnering with states, counties, cities, colleges, school districts and other municipal entities to help acquire the buses and other vehicles they need. We are dedicated to supporting your bid and purchase cycles, offering various purchasing scenarios and driving financing solutions that maximize your budget. And best of all, our municipal finance programs are not considered debt.¹



Tax-Exempt Municipal Financing

What is a Tax-Exempt Contract?

- A contract that allows a public entity to purchase equipment and related services² by making periodic payments over the useful life of the asset (i.e., an installment purchase contract)
- Included as a line item in the borrower's operating budget and treated as a lease (not debt) under applicable state law
- Interest rates are lower than commercial rates due to the tax-exempt treatment
- Installment payments are subject to annual budgetary appropriations by the municipality
- Voter referendum is generally not required

What are the Benefits of Tax-Exempt Financing?

- Borrower (municipality) holds the title
- Low-cost, tax-exempt capital
- Flexible repayment terms
- Maximizes use of budgeted funds
- Protection against obsolescence
- Matches expense with product useful life
- Easy to add on schedules
- Transaction treated as a lease (not debt) under applicable state law
- Straight-forward and efficient

Who is Eligible?

Generally, any municipality or political subdivision that can issue tax-exempt securities can utilize tax-exempt financing. Examples include:

- States
- State universities
- Counties
- Cities
- School districts
- Special purpose districts
- Government-owned hospitals

Benefits of Partnering with Daimler Truck Financial include1:

- Competitive rates
- Tax-exempt contracts
- Municipal expertise
- Up to 100% financing with no down payment
- Annual, semi-annual, quarterly or monthly payment options
- Customized finance packages (such as variable, skip and balloon payments)
- Flexible repayment terms (based on your budget)
- Terms up to 10 years
- Used equipment financing
- Easy application process
- Simplified documentation

03 | Bus Financing for Municipalities Bus Financing for Municipalities | 04

Financing to Lower Operating Costs

New Thomas Built buses will help save money in fuel and maintenance costs while reducing the average age of your fleet. This savings, combined with adding financing options to your transportation strategy, will allow your operating budget to go even further. Here is an example of how partnering with Daimler Truck Financial can lower your expenses.

Situation

A school district has an aging fleet, increasing maintenance costs and a shrinking budget.

Assumptions

Average Age of Fleet	7.97 years
Total Units in Fleet	44
Annual Acquisition Budget	\$190,000
Annual Maintenance Budget	\$150,000
Cost of New Bus	\$87,649

Purchase Strategy

Equipment:	Purchase 2 buses
Payment:	\$175,298
Average Age of Fleet:	7 years
Annual Maintenance Cost:	\$136,250

Municipal Financing Strategy

Equipment:	Finance 18 buses
Annual Payment:	\$238,999 (for 7 years)
Average Age of Fleet:	3.16 years
Annual Maintenance Cost:	\$71,750

Results of Financing in First Year

Total Savings:	\$106,301
Fuel Cost Savings:	\$41,801 @1 mpg
Maintenance Savings:	\$64,500

Solution

By turning an acquisition payment into lease payments, a municipality can lower the average age of its fleet and reduce the total cost of ownership and operation.

This financing strategy works whether your district has a five-bus fleet or a 5,000-bus fleet. Let Daimler Truck Financial show you how.



Let Us Be Your Financial Partner

Let our municipal financing experts develop a program that meets the fiscal challenges of your budget and stretches available funds, while allowing you to focus on safe transportation. Our extensive experience in municipal financing can help structure a program that lowers your fleet acquisition costs by taking full advantage of all available tax benefits, low municipal rates and flexible repayment terms. Let us be your partner to help you extend the power of limited capital to acquire the vital equipment your community needs.

Talk to your local Thomas Built Buses dealer or visit us on the web at www.daimler-truckfinancial.com to find out more about the many ways that Daimler Truck Financial can meet your financing needs. *Isn't it time you have a financial partner that works for you?*

05 | Bus Financing for Municipalities Bus Financing for Municipalities | 06



Daimler Truck Financial

For additional information, please visit www.daimler-truckfinancial.com or call 844-827-1043

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² Subject to IRS rules.