

Daimler Truck Financial

# Your Guide to Bus Financing



**Thomas**  
BUILT BUSES

## Helping to Provide Safe Transportation Since 1998

We know that providing safe transportation is your top priority. Helping you access newer, safer buses is ours. As the captive finance provider for Daimler Trucks North America, we partner with Thomas Built Buses to provide school bus contractors and activity and commercial bus owners with customized finance solutions.



# Welcome to Daimler Truck Financial.

We understand the nuances that differentiate your financing needs from those of traditional commercial financing, and we have the expertise to design the best financing solution for your business.

## We help our bus customers:

- Stretch budgets and maximize available funds.
- Reduce the average age of fleets, helping to maximize fuel efficiency and reduce maintenance costs.
- Manage cash flow while growing their businesses.
- Update fleets with buses featuring the latest in advanced technologies and optimum safety features.

When you partner with Daimler Truck Financial, our team of bus financing experts will help you create a finance package designed to maximize your available funds, acquire the buses you need when you need them, and meet your specific business goals.



## Bus Financing Options

We are proud to offer a complete line of finance products tailored to the group transportation industry. Here is an overview of our finance products<sup>1/2</sup>:



### Loan

This is a simple-interest, fixed-payment contract that locks in an interest rate. The loan terms and payment structure can be customized based on what works for you, and variable-rate options may be available under certain circumstances.



### TRAC Lease<sup>3</sup>

Terminal Rental Adjustment Clause (TRAC) leases are the most commonly used instrument for commercial vehicle leases. They offer lower payments than retail loan structures and multiple options at lease-end, including acquiring the vehicle or receiving the excess proceeds upon Daimler Truck Financial's sale of the vehicle (if applicable).



### Modified TRAC Lease<sup>3</sup>

A Modified TRAC lease is similar to a TRAC lease, but can be classified as an operating lease for financial reporting purposes.



### Zero TRAC Lease<sup>3</sup>

A Zero TRAC lease offers many of the same benefits as a TRAC lease. It is a fully amortized lease offering ownership at lease-end with little or no cash outlay beyond potential sales tax that may be due, depending on the state.<sup>4</sup>

If you are a municipal customer, see our *School Bus Financing for Municipalities* brochure for specific municipal financing options and information.

## Flexible Payment Options

When you finance your buses with us, you can choose from a number of payment options.<sup>1</sup> (Note that all of the following options must be set up prior to contracting.)



### Balloon Payments

Pay a lump sum at the end of your contract. As a result, smaller payments are made throughout the term of the loan. Customers can choose to pay the balloon payment in cash or refinance the balance.



### Skip/Seasonal/Token Payments

Personalize your payment schedule to help reduce expenses in a given month or slow season to better manage cash flow.

For example, if, like most school bus contractors, you do not have revenue coming in during the summer months, you can set up a payment plan to skip these months, making payments only during the months that you do have revenue coming in.



### Delayed First Payment

Get up to 60 days from the contract execution to first payment to help with cash flow at the beginning of the contract.

For example, if you take delivery of a new activity bus during the off-season, you can set up a delayed first payment, waiting until your season begins and you have revenue to put toward the payment.



### Step Payments

Ease into full payment amounts with predetermined initial, graduated and full monthly payment amounts. This option enables you to purchase a vehicle and start earning money while building up to full payments.

For example, you can purchase and take delivery of a bus and start earning revenue immediately. Step payments will make it easier to pay any up-front licensing and registration costs, reducing initial cash flow concerns.



### Extended Terms

To help our customers acquire the buses they need with a payment they can afford, we offer extended terms of up to 84 months.





### **Prepare for the Future with a Line of Credit**

Obtaining a line of credit from Daimler Truck Financial can help, whether you want to grow your fleet and get more buses on the road, or you are looking to replace older buses more often with newer, more fuel-efficient buses that require less maintenance.

#### **With a line of credit, you can:**

- Acquire buses quickly and efficiently.
- Be prepared to respond to a new opportunity or bid.
- Expand your fleet and avoid the risk of overextending.
- Eliminate the need to apply for new financing every time you add a new bus (or buses) to your fleet.
- Keep your bank line of credit available for other business purposes.

#### **Additionally, Daimler Truck Financial lines of credit:**

- Do not have application fees.
- Have zero commitment for use.
- Are reviewed annually for renewal.

Our primary goal is to support you, our customer, by offering competitive products and excellent service in both good and challenging market conditions. We never sell our portfolio of finance and lease contracts, and we service our customers from beginning to end.



### Support Online or Over the Phone

When you are ready, our dedicated bus financing team will support you throughout the entire financing process—and beyond. As a customer, you will enjoy the benefits of both online and dedicated over-the-phone support.

If you prefer to manage your account online, here are some of the online features available to our customers at [daimler-truckfinancial.com](https://daimler-truckfinancial.com):

- Revise profile
- Edit payment options
- Make payments and payoffs



#### Account Management



#### Advanced Features

- Line of credit utilization
- Detailed statements
- Amortization tables

### Get Started

Contact your Thomas Built Buses dealer to find out more about the many ways Daimler Truck Financial can meet your financing needs, or go to:

[daimler-truckfinancial.com](https://daimler-truckfinancial.com)  
[thomasbuiltbuses.com](https://thomasbuiltbuses.com)

Daimler Truck Financial  
36455 Corporate Drive  
Farmington Hills, MI 48331  
United States of America

[daimler-truckfinancial.com](http://daimler-truckfinancial.com)

<sup>1</sup> Actual payments, terms, down payment and program eligibility is determined by Daimler Truck Financial's credit team based upon creditworthiness of the customer.

<sup>2</sup> Daimler Truck Financial does not provide or endorse any tax advice, accounting advice or tax strategy to its dealers, customers or potential customers. Consult with your accountant or tax advisor for any accounting and tax implications for all finance and lease products.

<sup>3</sup> TRAC leases are limited to motor vehicles leased to businesses and used at least 50% of the time for business purposes.

<sup>4</sup> In some states, sales taxes will be due on the fair market value of the vehicle at lease-end. Check with your tax accountant for details.