



Credit Union Leasing of America
Invest In America
Ford Motor Company
General Motors



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Did you know that vehicle leasing represents 22% of all new vehicle transactions in the U.S.? In many regions of the country, leasing penetration is as high as 34%.

KEY FEATURES OF OUR PROGRAM

CULA'S CONSUMER LEASING PROGRAM dovetails nicely with any existing indirect lending program or centralized lending structure. CULA's consumer lease product can be offered to existing and potential members alike when financing options are discussed at the dealership. The credit union makes the credit decision, the dealer executes the necessary paperwork and the credit union funds the dealer directly.

OPPORTUNITIES FOR YOUR CREDIT UNION THROUGH INVEST IN AMEIRCA

Invest in America has developed exclusive credit union member discounts on products and services offered by American owned corporations to provide a stimulus for stronger financial results for the U.S. economy, increase credit union membership and member satisfaction

Through a partnership with domestic automakers that generates incremental vehicle purchases and credit union loans, Invest in America has partnered with Credit Union Leasing of America to launch an exclusive vehicle lease program.

A pilot leasing program has been developed with domestic auto manufacturers to provide credit union members with incentives and discounts on popular vehicle models with a credit union lease. Partnership with the manufacturers will virtually eliminate the risks normally associated with vehicle leasing.



CULA's comprehensive insurance protection and claims administration, unmatched experience with member education and disposition of returned vehicles at lease end, as well as its' effective approach toward residual risk mitigation, assures a safe, competitive and compliant program that is proven to increase the credit union's loan growth.

CREDIT UNION CONTROLLED CASH FLOW

From beginning to end, all cash is controlled by the credit union

- Credit Union funds dealer
- Member pays monthly payment directly to the credit union
- GAP claims are paid to the credit union
- Residual Value Insurance claims are paid to the credit union
- At maturity, the funds to purchase the vehicle are paid to the credit union

THE SEAMLESS LEASE CONNECTION

CULA's Proprietary Software manages the lease portfolio

- Validates lease at origination, ensuring program compliance
- Automatically provides sales tax updates
- Produces monthly sales tax reports and downloads for remittal (by CULA) to state entities.
- Numerous Ad Hoc Reporting features
- Converts the money factor into a contract rate for booking the lease on your DP system.
- Bridges to CU DP system for task automation

RESIDUAL ESCROW ACCOUNT

With every lease, a deposit is made into a Residual Escrow Account that is 100% FDIC insured. These funds are assigned to the credit union and are used to pay the difference between the residual value and the sale price of the vehicle at maturity.



UNPRECEDENTED RESIDUAL RISK MANAGEMENT

Best RVI Coverage in the Industry Today

CULA's program provides an NCUA compliant program with a residual value insurance policy endorsement.

- Residual Value Insurance (RVI) applies to vehicles that go full term
- Proprietary RVI policy which provides up to 20% more coverage than any other RVI Group policy in the credit union industry
- RVI policy and program provides coverage against catastrophic loss
- CULA's software validates the residual at lease inception
- Lease validation software also processes insurance claims through CULA's insurance department
- (Ford Motor Company or General Motors) and CULA deposit funds into the Residual Escrow Account for each lease originated. These funds are used to cover the residual value insurance policy deductible.

COMPLETE DOCUMENT PACKAGES CUSTOMIZED FOR YOUR PROGRAM

All necessary forms, designed to be NCUA compliant, provided at no cost to the credit union

- No need to create or print forms or other documents
- Customized lease agreements that are state specific
- Pre-Owned (Used) Vehicle Leasing "UVL"
- Comprehensive residual value website that provides new and used vehicle residuals
- Online training manuals for credit union staff and dealers

CULA PERFORMS TAX FILINGS AND ACCOUNTING

Full lease accounting and management provided

- Relieves the credit union of accounting and tax remittance responsibility
- CULA reports and remits sales tax and manages all lease accounting, including FASB 13



THE CREDIT UNION LEASE

Ours is the most consumer-friendly lease in the market today

- Closed-end lease
- No security deposit
- No pre-payment penalties
- State minimums insurance requirements
- Flexible mileage and lease terms
- GAP insurance included
- Many lease-end options
- \$500/\$1,000 Wear and Tear waiver at lease end

GAP INSURANCE

GAP stands for Guaranteed Automobile Payoff. Gap is provided on each lease. If a member's automobile is totaled or stolen and the member's insurance has offered a fair market value settlement for the vehicle, GAP can pay the difference between the settlement amount and the loan payoff amount. In order for this to occur, the member must be in compliance with the lease agreement. Damages that do not result in total loss are not eligible for GAP coverage.

COMPREHENSIVE LESSOR-RELATED INSURANCE

Comprehensive insurance coverage second to none in the credit union industry

- Residual Value Insurance
- GAP Insurance
- Contingent Liability/Contingent Physical Damage Insurance
- Full Care & Custody Garage Keepers Insurance
- The credit union is named as the loss payee guaranteeing the credit union receives the insurance benefits.

INSURANCE TRACKING

Insurance tracking is provided by CULA via a third-party vendor

- Tracks insurance for cancellations
- Easy to use website contains reports of cancellations and details of resolutions efforts



INITIAL AND ON-GOING CREDIT UNION STAFF TRAINING

In-house planning and training at all levels assures the program launches and runs smoothly

- CULA provides pre-implementation planning and training
- Comprehensive training manuals for credit union staff
- On-going training by experienced trainers
- Senior management and board member training sessions
- Customer Service Representative is assigned to assist your credit union throughout the life of the lease portfolio

DEALER TRAINING AND SUPPORT

Active presence and support at the dealership secures dealership loyalty to your program

- Credit Union's dealer representatives trained in the field by a CULA dealer representative
- Dealer training manuals and user guides available online
- User-friendly, comprehensive CULA dealer website

ONLINE ORIGATION SYSTEM

Simple to use on-line origination system provided at no cost to the credit union or dealer

- Print all lease-related documents and forms at www.cula.com
- No login required
- Easy to use
- On-line system produces residual, payment and lease, so no room for error
- Lease agreement prints on plain paper from any laser printer
- Online system connects to CULA's lease management software, Seamless, reducing data entry time



COMPREHENSIVE MEMBER EDUCATION REGARDING LEASE-END OPTIONS

Multiple resources made available to member at lease end

- Personal tele-consulting, educational brochures and complete follow up provided
- Members section of CULA website contains detailed information on lease end, videos and webinars
- Member education and convenience is emphasized
- Enhanced member retention and product satisfaction

UNIQUELY EFFECTIVE REMARKETING SERVICE

Experienced disposition experts aim for top-dollar recovery with sales proceeds maximized and selling time minimized

- CULA's remarketing department assists the member with convenient vehicle return and disposes of the vehicle for the credit union
- Unique remarketing strategies for lease return using nationwide industry relationship provide maximization of sales proceeds, while minimizing the time for selling off-lease vehicles
- Assistance with repossessed vehicles also available

THE END OF TERM PROCESS

The end of term process is designed to promote education of members to assist them in making informed decisions regarding their end of term options

PROCESS

- Member education/marketing
- Tele-consulting
- Disposition

MEMBER EDUCATION/MARKETING OBJECTIVES

- Member education
- Build credit union lease loyalty
- Return member to originating dealer



NCUA STATE AND FEDERAL PROGRAM COMPLIANCE

Conformity with all state and federal requirements carefully monitored.

Keeps the program up-to-date and gives the credit union peace of mind

- CULA's lease program is designed to be compliant with NCUA's ruling regarding credit unions engaged in indirect leasing programs and business lending guidelines
- State compliance and federal leasing laws are carefully monitored to ensure a compliant lease program is in place

HERE'S WHAT OUR SATISFIED CLIENTS HAVE TO SAY ABOUT US!

CULA's commitment to credit union service is very important to us as we continually strive to offer the best products in the marketplace. Our business philosophies are quite similar — both companies are dedicated to the credit union and its members.

Tami Anderson

*Vice President of
Business Development,
CU Direct Connect*

We recently celebrated Ten great years of association with CULA. With over \$100 million in lease originations, we continue to offer one of the most competitively priced and consumer friendly lease products in the country.

Kristi Hart

*AVP, Lending
Midwest America
Federal Credit Union*





OUR ALLIANCES



REYNOLDS & REYNOLDS