National Equipment Finance Association

Risk Management Issue | Nov/Dec 2015

newsline

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A Message from NEFA’s President

Being president of the NEFA for the past year has been a humbling experience. It is extremely rewarding to see the NEFA thrive and I am very excited to see what the future leadership team will do in the years to come. At the NEFA Fall Conference in Atlanta, Gerry talked about the strategic planning process that the NEFA underwent. As our new leaders step into position, they will continue to develop and refine this plan as well as begin to implement tactics to achieve the goals that were created. This will no doubt have amazing benefits to the NEFA and its membership.

It is very obvious that the work the NEFA has done to reinvent itself continues to provide high quality output to its members. Our conference in Atlanta was the largest NEFA conference to date. With nearly 300 attendees and record breaking numbers in terms of sponsors and exhibitors, it is clear that there is a place in our industry for the NEFA. And it is more important now than ever to get involved and stay involved with our Association. The NEFA will continue to provide high quality education, networking opportunities and opportunities to connect with businesses to share best practices. The quality of these will continue to get better as our future leadership team continues to implement new strategies and tactics.

The NEFA is a staple in our industry! I hope all of you are thinking of ways to get connected and get more of your people involved. Look for opportunities within the association to volunteer … send a “star” or high quality performer to a conference so they can start learning the industry and connecting with other individuals. This is an opportunity to reward them and continue their development.

It has been an honor participating on the NEFA board and executive committee these past few years. My involvement has truly given me opportunities on so many levels. I look forward to staying involved as the NEFA continues to grow and be successful. Thank you!

Tara Aasand
NEFA President
A Message from NEFA’s Executive Director

One of the key roles or missions of NEFA is to connect people throughout our industry. In spite of a myriad of ways to do that electronically through the Internet on social media, many people still seem to want and appreciate a more specialized, industry-specific connection point with a more personal aspect to it. We will continue to use technology as effectively as possible while still maintaining that value for them.

Connecting people is a fundamental part of our mission. However, we have an obligation to extend those connections as much as possible … an obligation to reach and include more people. Doing so will bring its own set of challenges. How will we grow the association to include more people and still maintain the close-knit and friendly feel that many members value so highly? These are all things I think about continually, and I readily admit that I don’t have all the answers all the time. But working together with our board of directors, active member volunteers and the membership at large, I’m confident that we will both continue to grow and be the kind of group we like being.

In order to grow, we need to “get in front of” many more people from throughout our industry. We promote NEFA now to everyone we know — and we steadily attract new participants. But what keeps me up at night is wondering who I’m missing. Who don’t I know who would be wonderfully served by NEFA but just isn’t getting our message? In other words, who don’t I know that I don’t even know that I don’t know?

Here’s the answer — I believe you know them. I believe that all the next people NEFA needs to attract; the people who would get the most from this association; the people that will allow us to extend our mission and leverage our ability to do the things we want to do, are people known individually to our existing members. Every Association member has industry friends or people they do business with that aren’t presently NEFA members themselves.

Virtually all of our most active, loyal and long-term members will tell you that they first connected with or heard about the association through a personal contact with an existing member. In fact, the success rate of bringing that kind of referral into the NEFA family and these professionals becoming regular participants is so good that I’d willingly trade two Internet or social media inquiries we get today for every one of those referrals.

So how can I meet those people? How can I meet your friends and business contacts who aren’t participating in NEFA right now?

We’re actually very good at telling the NEFA story. We’re not high pressure, but we do an excellent job of helping people see the opportunity and fit for them in NEFA involvement. How can we tell that story to the people in each of your individual databases? I don’t know the answer to that, but I’d love to hear your ideas on it.

Call or write me regarding what you think the key is to getting the NEFA message in front of the people you – and all our other members know, but who are presently unknown to NEFA.

PS: Watch for details coming soon about the 2016 National Equipment Finance Summit, March 2-4, at the famed Hotel Monteleone, in the heart of the French Quarter, in New Orleans! I look forward to seeing you there. “Laissez les bons temps rouler.”

Gerry Egan
NEFA Executive Director & CEO
Summit Funding Group announced that Brian Lowe has joined lasting relationships with our clients.”

and equipment vendors across North America and form long-lasting relationships with lessors and banks as well as for the wholesale funding division.

Gordon Glade, founder and CEO of Axis, said, “Mike Coon is going to lead the company’s syndication efforts as we continue to serve as reliable capital partners to over 5,000 current customers. He will continue to build on our efforts to provide a broad base of flexible financing solutions for a wide range of business owners reporting directly to Richard Ross, President. Lowe will be leading a team to grow the company’s Material Handling business in both the Vendor Finance Division and Middle Market Division.

Previously, Lowe was at GE Capital for eight years. His most recent role at GE Capital was as a Managing Director in Business Development within the Equipment Finance Group. At GE Capital Lowe managed a team focused on originating new programmatic relationships across the construction, industrial, machine tool and energy industries. Before that he was the National Sales Manager for a vendor program with major forklift manufacturers helping them increase sales through financing their independent dealer network and direct sales team.

Axis Capital announced that Mike Coon was elected as a new officer of the Executive Committee of the National Equipment Finance Association (NEFA) for 2015-2016. Coon joined Axis Capital in 2015 as Vice President/Syndications Manager, and is responsible for Axis’ buy and sell activities. He will focus on selling Axis-originated contracts to other financial institutions as well as purchasing transactions from banks and other leasing companies. Coon was most recently a Vice President at Lease Corporation of America, where he was responsible for developing and managing relationships with lessors and banks as well as Gordon Glade, founder and CEO of Axis, said, “Mike Coon is going to lead the company’s syndication efforts as we continue to serve as reliable capital partners to over 5,000 current customers. He will continue to build on our efforts to provide a broad base of flexible financing solutions for a wide range of business owners and equipment vendors across North America and form long-lasting relationships with our clients.”

Coon to Lead Axis Capital’s Syndication Efforts; Elected Officer of NEFA

First American Equipment Finance announced that Janice Schawillie has joined the company in the role of Senior Vice President, Capital Markets. Schawillie has extensive experience in equipment finance syndications. She joins First American from First Niagara Capital Markets. Schawillie has joined the company in the role of Vice President, Capital Markets. Schawillie has extensive experience in equipment finance syndications. She joins First American from First Niagara Leasing, where she had a similar role, and she has also held leadership positions at Chase Equipment Leasing (now known as Chase Equipment Finance) and its predecessor companies.

Summit Funding Group Adds GM of Equipment Finance

Summit Funding Group announced that Brian Lowe has joined the company as the General Manager of Equipment Finance, reporting directly to Richard Ross, President. Lowe will be leading a team to grow the company’s Material Handling business in both the Vendor Finance Division and Middle Market Division.

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Bank of the West Appoints Knowlton VP, National Program Manager

Bank of the West announced the appointment of Paul Knowlton as vice president and national program manager in its Equipment Finance Division, replacing Dave Johnson who is retiring this year. In his new role, Knowlton is responsible for developing, implementing and growing vendor finance programs at the Bank, while working with manufactures and national distributors to grow sales and improve margins.

“We are excited that Paul has joined the team, as he brings a tremendous amount of experience in both equipment finance and banking,” said James Elwood, managing director for the Vendor Finance Group at Bank of the West. “I am confident that Paul is the right person to succeed Dave, and to help continue the legacy of excellence that he leaves behind.”

Key Equipment Finance Names Pulicano SVP, Technology

Key Equipment Finance announced it has named Joseph Pulicano senior vice president, technology. In this role, Pulicano will lead all sales, business development, and relationship management activities for Key Equipment Finance’s technology finance segment.

Prior to joining Key Equipment Finance, Pulicano was managing director of BNP Paribas Leasing Solutions in Paris, France, where he led the multi-billion dollar Technology International Business Line. In that role, he was the profit and loss leader for BNP Paribas’ developed markets in Western Europe and also oversaw all international IT businesses in the emerging markets of Europe, America and Asia. Previously, Pulicano was CEO of BNP Paribas Rental Solutions, which followed a successful career with IT business consulting and services firms in Europe.

Schawillie Joins First American Equipment Finance as VP, Capital Markets

First American Equipment Finance announced that Janice Schawillie has joined the company in the role of Vice President, Capital Markets. Schawillie has extensive experience in equipment finance syndications. She joins First American from First Niagara Leasing, where she had a similar role, and she has also held leadership positions at Chase Equipment Leasing (now known as Chase Equipment Finance) and its predecessor companies.
**Former MasterCard Exec Joins eOriginal**

eOriginal announced the appointment of David R. Young as its new DocuSign Enterprise Sales Director. Young is tasked with expanding eOriginal's rapidly growing DocuSign relationship by driving enterprise-level deals.

As a performance-driven sales and business development expert, Young comes to eOriginal with more than 25 years of experience within the financial services and technology industries. Most recently Young served as the vice president of sales and business development for North America, Europe, and Latin America for MasterCard Advisors. Prior to his time with MasterCard, Young held executive sales positions with FICO, Fannie Mae and Standard & Poor’s.

**ASSOCIATION NEWS**

**NEFA Elects New Officers at Funding Symposium in Atlanta**

The annual business meeting of the National Equipment Finance Association (NEFA) was held this year on Thursday, October 8, during NEFA’s 2015 Funding Symposium at the JW Marriott Atlanta Buckhead hotel in Atlanta. Officers and Directors were elected during the business meeting.

Elected to lead NEFA on the Executive Committee for 2015-2016 were: Gary Souverein, of Pawnee Leasing, President; Stephanie Hall, CLFP, of Bryn Mawr Funding, Vice President; Greg Nappi, of DDI Leasing, Treasurer; and Mike Coon, of Axis Capital, Secretary. Tara Aasand, of LeaseTeam, will continue to serve on the Executive Committee as Immediate Past President.

Elected as Directors for NEFA for 2015-2016 were: Kip Amstutz, of 360 Equipment Finance; Dennis Dressler, of Dressler & Peters; Doug Houlahan, CLFP, of Maxim Commercial Capital; Bryan Inman, CLFP, of Great American Insurance; Gabe Jarrot, CLFP, of Northland Capital; Marc Keepman, of KLC Financial; Daryn Lecy, of Stearns Bank; and Nick Ross, CLFP, of Bank of the West.

“Our Officers and Directors represent a broad range of experiences and all have a passion for this industry and association,” said Gerry Egan, Executive Director of NEFA.

Kyle Gilliam, CLFP, of Arvest Equipment Finance, and Anna-mary Geist, of Sovos Compliance – Taxware; were honored for their Board Service as they completed their terms this year. Also honored for his successful efforts as Conference Chairperson, was Bob Hanna, of Weltman, Weinberg & Reis Co., LPA.

Jim Merrilees, of Channel Partners Capital, was given the Chris Walker Memorial Member of the Year Award by the NEFA Executive Committee in recognition of his many years of Service to NEFA, its predecessor organizations and the industry at large.

Special Guest, Pete Sawyer, CLFP, of Sun South Equipment Leasing, Inc., and current President of NAELB, was also recognized.

During the Funding Symposium, NEFA, which has enjoyed a long standing and close relationship with the CLFP Foundation, provided meeting space for the Foundation along with exhibit space. During the NEFA business luncheon CLFP leaders were also given an opportunity to present a number of their own awards.

The 2015 Funding Symposium drew a record 281 registrants from across the U.S. and Canada including a record 82 first time attendees. Represented among those first time attendees were 20 new NEFA Member companies.

Attendees participated in a broad range of educational sessions, visited with a record setting 44 leading-edge industry exhibitors, enjoyed social functions and a fund raising golf event. The Funding Symposium kicked off with an informative and inspiring talk by Michael Flock, of Flock Specialty Finance, who shared some of his own story set against the ups and downs and challenges of our industry.

Said, Bob Hanna, the 2015 Funding Symposium Conference Chairperson, “Atlanta’s an easy city to travel to and its Buckhead...
area is a great location due to the number of dining and entertainment options close by. I think that, the general health of the industry right now, the lineup of educational breakouts we put together, and the vibrancy of NEFA as an organization and the effective networking opportunities it offers, all combined to make this conference a great success.”

**INDUSTRY NEWS**

**The Alta Group Serves as Financial Advisor to Patriot Capital in M&A**

The Alta Group served as a financial advisor to Patriot Capital Corporation in the acquisition of its equipment finance origination platform by State Bank and Trust Company, said Bruce Kropschot, senior managing director and mergers & acquisitions advisory practice leader for Alta.

State Bank and Trust Company is a wholly-owned subsidiary of State Bank Financial Corporation. Patriot Capital Corporation is a leading provider of equipment financing to the retail petroleum industry.

“An increasing number of banks have become attracted to the additional commercial loan volume that can be achieved through an equipment financing business,” said Kropschot. “The Alta Group was pleased to be able to help Patriot Capital founder and president Chris Santy complete this transaction with a strong bank whose financial resources should enable the Patriot Capital organization to continue its rapid growth.”

**TEQlease Provides Lease Financing To Fenton Charter Public Schools**

TEQlease Education Finance announced that the company has provided Fenton Charter Public Schools, a Los Angeles Pre-K-6 charter school group, with a comprehensive equipment lease financing solution for laptops, tablets, and IT infrastructure equipment, for its five schools. The Fenton Charter Public Schools expanded its school offerings this year by the addition of two new schools: the Fenton STEM Academy (STEM) and the Fenton Charter Leadership Academy (FCLA), both K-5 schools, to provide a concentrated curriculum based on science, technology, engineering, and math (STEM) and a program emphasizing the integration of social and emotional learning.

**Crossroads Sells $117MM of Transportation Portfolio; Retains Servicing**

Crossroads Equipment Lease & Finance sold $117 million worth of a trucking equipment loan portfolio. The portfolio will continue to be serviced by Crossroads. The sale for part of Crossroads trucking equipment portfolio was strategic in efforts to provide capital to pursue new business ventures. With Crossroads’ industry low delinquency rates derived from strong customer service, retaining the ability to support the customers of the Transportation Portfolio was important to maintaining high customer satisfaction.

**Insight Investments Goes Live with LeaseWave From Odessa Technologies**

Odessa Technologies announced the successful implementation of the LeaseWave platform at Insight Investments, LLC.
Focused in the IT leasing industry, Insight Investments prides itself on providing exceptional customer service assisting companies navigating complex, multi-asset transactions. In order to continue offering this level of service, LeaseWave was selected to replace a large number of legacy systems with one mature, modern system.

“This successful implementation was possible through a collaborative partnership with Odessa, thanks in large part to the number of high caliber Odessa resources dedicated specifically to our project and the depth of industry knowledge that they brought to the table,” said Calvin Yeung, Director of Strategic Planning, Insight Investments, LLC. “LeaseWave provides enhanced insight to our workforce, allowing us to respond more quickly to new opportunities and continue to deliver on our commitment to our diverse customer base ensures that more borrowers, regardless of equipment type or credit profile, can shop for and secure the best financing option for their business.

Investment in business equipment and software is expected to grow 4.1 percent in 2015, according to a Q4 market report from the Equipment Leasing & Finance Foundation (ELFF). In fact, the equipment financing industry is growing consistently year over year, with new deal originations expected to top $1 trillion in 2015. With a cloud-based, automated platform and instant quotes, LeaseQ is capitalizing on the growth of the market, connecting lenders and equipment sellers in over 30 vertical equipment markets with small business borrowers in all credit classes looking to expand, while preserving cash flow.

“Equipment financing is a highly-fractured industry, and we pride ourselves in being experts who help borrowers, lenders and vendors navigate the messiness,” said Vernon Tirey, LeaseQ co-founder and CEO. “Our partnership with Fund Simple underscores our focus on professionalism, and allows us to reach more borrowers, with more financing options both online and on the dealer floor.”

Palladium Equity Partners Invests in Fora Financial

Palladium Equity Partners, LLC (along with its affiliates, “Palladium”), a private investment firm with over $2.0 billion in assets under management, announced that one of its affiliates has made a significant investment in partnership with the co-founders and management of Fora Financial LLC (together with its affiliates, “Fora Financial” or the “Company”), a technology-enabled provider of financing to small- and medium-sized businesses nationwide.

Founded in 2008, Fora Financial offers loans and merchant cash advances of between $5,000 and $500,000 to small businesses throughout the country. Since inception, the Company has provided total funding of nearly $400 million to more than 8,000 businesses. It has experienced rapid growth and recently was ranked among the fastest-growing companies in America in the Inc. 5000 list. Fora Financial recently expanded its New York City offices to accommodate its growing roster of over 100 employees as it bolsters key capabilities in analytics and technology and aims to continue to execute on its strategy of delivering capital in a timely and cost effective way.

Fora Financial will continue to be led by its two founders, CEO Jared Feldman and President Dan Smith.

LeaseQ & Fund Simple Partner to Offer Customized Equipment Financing

LeaseQ, an online marketplace connecting businesses, equipment sellers, and equipment finance companies to make selling and financing equipment fast and easy, announced a partnership with alternative lending platform Fund Simple, Inc., a trusted and reliable source for small and medium-size businesses to obtain loans for expansion and growth. The strategic pairing of LeaseQ’s automated equipment financing platform and Fund Simple’s

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Ascentium Capital’s momentum led to a remarkable third quarter. Our net investment reached $790 million, representing a 53 percent increase from the previous year,” stated Tom Depping, Chief Executive Officer at Ascentium Capital. “We continue to invest in the right infrastructure to drive efficiencies and to ensure our financial products meet the needs of the continually changing business environment nationwide.”

Ascentium continues to expand its national footprint and serves several industries including healthcare, technology, energy, franchise, and other specialized markets. Chief Sales and Marketing Officer, Richard Baccaro comments, “Our growth is driven by the talent of our people and our customized finance platform. Ascentium’s strategic niches are in growth-mode and we will be intensifying recruitment to meet the demand for our vendor programs.”

Growth Milestones Coincide With Opening of New Location for LeaseTeam
LeaseTeam announced that it has opened a new office location in the Kansas City, KS area.

The location will serve as the home office for Executive Vice President Jeff Van Slyke and a team of employees from various business units across the company. The opening of the new workspace comes alongside the exciting announcements of recent growth milestones achieved by LeaseTeam, including being named to Inc. magazine’s 2015 Inc. 5000 list and the hiring of the company’s 100th employee.

The distinguished 2015 Inc. 5000 list recognizes the fastest growing privately held companies in America and LeaseTeam’s inclusion is a reflection of its 81% sales growth over a three-year period from 2011 to 2014. It also places the company among the 150 fastest growing companies from a regional area consisting of Iowa, Kansas, Missouri and Nebraska.

In addition to this remarkable growth in revenue, the company has also experienced rapid employee growth over the same three-year period, with over 40 percent of the company having been hired during this time (LeaseTeam recently eclipsed the 100-employee mark this year).

“It’s an incredible time for LeaseTeam, both in terms of the work we are doing and the growing number of employees that are doing it,” said Van Slyke, “Achieving the kind of growth necessary to make the Inc. 5000 is pretty uncommon when you’ve been in business for over 25 years, but it speaks volumes to our people, our solutions and our industry. As we looked to the future, opening up a Kansas City office allowed us to expand our footprint to access additional talent and resources.”

Madison Capital Selects LeaseWave Product Suite From Odessa Technologies
Madison Capital has selected the LeaseWave platform from Odessa Technologies to administer and streamline their lease management processes. Madison will also be implementing the LW Customer Portal, LW Vendor Portal and LW ReportBuilder to enhance the LeaseWave experience for not only their organization, but also for their customers and vendors. Madison is headquartered in Owings Mills, MD. Madison Capital specializes in equipment and commercial vehicle leasing and financing.

“In order to successfully execute our innovative growth strategy, we realized Madison had to replace both of our legacy systems with state of the art technology as well as undergo significant business process reengineering,” said Allan Levine, President and COO, Madison Capital. “With Odessa as a technology partner and LeaseWave as our core system, Madison will be well positioned to achieve our growth objectives.”
“LeaseWave was designed with our client’s changing needs in mind. Its configurable automation capabilities provide flexibility and efficiency,” said Jeff Lezinski, Senior Vice President, Solution Architecture, Odessa Technologies. “Madison Capital is focused on the origination of small ticket transactions in markets where delivery of custom financial solutions is a critical, value-added component of their sales proposition. LeaseWave’s dynamic functionality and workflow-based design will enable Madison Capital to reliably provide this business model.”

**GreatAmerica, Northpoint to Provide Dealer Financing for Wacker Neuson**

Wacker Neuson Corporation announced the establishment of Wacker Neuson Finance, an integrated platform which will provide financing to Wacker Neuson dealers and commercial end-users of Wacker Neuson equipment. GreatAmerica Financial Services will provide dealer rental fleet and end-user financing while Northpoint Commercial Finance has been selected to provide dealer inventory (floorplan) financing.

Based in Cedar Rapids, IA, GreatAmerica will provide customized end-user financing solutions to include fleet rental programs. “We are excited to work with Wacker Neuson and supporting their continued growth in the US and Canadian markets,” said Brian Bjella, GreatAmerica Senior Vice President. “We have developed an efficient online finance platform for Wacker Neuson that will enhance their customer’s experience and augment best in class service for their dealers, sales force and retail customers.”

**Merchant Cash and Capital Transforms Into Bizfi**

Merchant Cash and Capital announced that MCC has transformed into Bizfi, an online lending and aggregation platform. Due to the success of Bizfi.com, launched earlier this year, Merchant Cash and Capital is completing its operational and brand metamorphosis in a way that better reflects the Company’s commitment to financial technology. The name change is a consideration of the Company’s rapid growth – in the second quarter of 2015 alone the Company provided $115 million to more than 3,000 small business owners – as well as its online expansion.

**Allegiant Partners Selects Ivory Consulting’s SuperTRUMP EXPRESS for Salesforce as their exclusive pricing solution for equipment financing. Ivory’s latest SuperTRUMP product enables pricing of basic loans and leases directly within the Salesforce CRM platform, providing improved and accelerated customer service, better business decisions, and increased efficiency using consistent, familiar tools.**

“At Allegiant, we are always striving to innovate and streamline our processes and Ivory Consulting’s SuperTRUMP EXPRESS for Salesforce helps us achieve that goal. Integrating it in our Salesforce instance was so simple and efficient – we immediately increased internal user adoption and satisfaction while simultaneously improving the customer experience,” said Raquel O’Leary, Senior Vice President, Operations, Allegiant Partners Incorporated.
Flamm Walton PC Acquires The Lamm Group; Changes Name
Effective July 15, 2015, Flamm Walton PC, a Blue Bell business practice law firm, changed its name to Flamm Walton Heimbach & Lamm PC. The reason for the change is the acquisition by Flamm Walton of The Lamm Group, a group of lawyers presently in Center City, Philadelphia. Flamm Walton is a general business practice firm. The Lamm Group is a creditors’ rights and corporate practice of five lawyers. The combined firm is now 18.

Walter Flamm, Chairman of the Firm, said, “The addition of Tony Lamm and his group gives us much greater depth in the corporate area and provides new bankruptcy expertise that we need. Tony’s relationship with the banks in this area is stronger than any lawyer we have seen, and his reputation for service is impeccable.” Lamm has been in the business of protecting lenders for over 30 years. Lamm said, “We wanted to gain the additional momentum and size of Wally’s firm and we could use the seasoned trial lawyers to handle our litigation. This is a great addition to our practice.”

The additional name is that of Tom Heimbach, who has been a shareholder in the Firm since 2007. Flamm said “Tom’s name has long deserved to be on the Firm Marquee. He graciously deferred that opportunity when we changed our name in 2010 because we thought that the trend in law firm names was to be shorter, not longer. However, when we brought Tony aboard, it was imperative that his name be added. That disposed of the short name idea and Tom gets his name where it should have been all along.”

SECTOR NEWS

Manufacturing to Accelerate in Second Half of 2015
While the forecast for overall manufacturing production growth for 2015 is lower than previously expected, key drivers will allow for solid fourth quarter advancement, according to the MAPI Foundation’s U.S. Industrial Outlook, a quarterly report that analyzes 27 major industries.

The MAPI Foundation forecasts manufacturing production growth of 2.1% in 2015, 3.4% in 2016, and 3.1% in 2017. The 2015 forecast is a decrease from 2.5%, the 2016 forecast is a decline from 4.0% and the 3.1% in 2017 in unchanged from the June 2015 report.
NEFA's 2015 Funding Symposium

October 7-9, 2015
Atlanta, GA
RISK AND SOCIAL MEDIA – Managing Your Company’s Reputation

Social media platforms provide a great way for companies to connect with customers, increase brand awareness and engage with the community through social exchanges. At the same time, any company needs to be thoughtful in its approach to avoid any reputational risks associated with maintaining a social media presence.

By Jeremy McCullough

If your company is not already on a social media channel like Facebook, Twitter or LinkedIn, you are probably looking closely at these platforms as a way to connect with your customers. Before your company updates a status or tweets a photo, it’s important to understand and plan for the risks inherent in social media. Crafting a corporate social media policy is the first step – but what else is needed?

A great starting point is to conduct a listening study. This can be done on your own or you can work with a vendor that specializes in this field. The study is meant to give you a clear understanding of the types of content that will resonate best with your intended audience and can help you understand the current conversations happening about your company or product. What you post should be relevant, timely and useful to your followers.

The most frequent social media snafus that catch media attention demonstrate a lack of best practice regarding technology. We’ve all seen a high profile brand send a message that wasn’t intended for that account or share the wrong message. How your organization uses technology is just the tip of the iceberg as you manage a strong risk culture. As you would with on-boarding any new vendor or service, here are a few considerations to think about:

1. Be diligent in research. There are many social media tools out there to help your organization not only manage but contribute to social conversations – but not all software is created equally. Although the space continues to evolve, risk management practitioners must be diligent in research to ensure information security, among other things, remain a top priority for the vendor you work with on this journey.

2. Perform a risk assessment. Based on the information received in any RFP, the organization should conduct a formal review of risks associated
with any technology used to manage your company's social media accounts. Your team should determine what steps, if any, have already been taken to control or mitigate risks such as publishing incorrect content that can damage the reputation of your organization.

3. **Involve the right people.** Marketing, Corporate Communications and HR are often the key users of social media initiatives for an organization, but social media policy and implications cross many disciplines. Take an inclusive approach to building policies, procedures and training. This will enable you to bridge the silos across your organization and ensure the ownership for the risk is well-defined and has a documented plan for mitigation.

4. **Connect technology and people.** A social media command center is perhaps best described as a war room of tools a team can use to monitor and track day-to-day activity for a brand and its customers. Bringing various listening and platform technologies together will allow your team to monitor potential issues and respond to customer questions in real time.

5. **Train your team.** Your team is part of the first line of defense when thinking about risk management. Adequate training of new technology and policy is critical to ensure these tools are used appropriately. When employees know what they need to do as part of their job to help manage risk, that’s a strong risk culture.

6. **Have an ongoing plan.** It’s important for your organization to treat a risk assessment and mitigation plan as a living document. Establishing a cadence to revisit risk and policy allows you the opportunity to refine, measure and control the risks related to social media.

7. **Monitor and engage.** If you have a presence on a social media platform, any comments should either be moderated, responded to or, if it’s a customer-service matter, handled offline if possible. You don’t have control over where the conversation goes so it’s important that you are prepared to go where the consumers take it.

In additional to managing risk through the creation of a solid plan and process, it’s important to also know what success will look like and how you will measure it. You might look at level of engagement with the number of interactions, shares or replies by your followers. You can also take it a step further and use social media to conduct a survey or let followers know about a new product, before it comes out, to test their reaction. Your survey responses, or engagement, may help determine another measure of success for your social media presence.

Social media platforms provide a great way for companies to connect with customers, increase brand awareness and engage with the community through social exchanges. Be thoughtful in your approach and take the time needed to lay out your social media strategy for long-term success.

**ABOUT THE AUTHOR** | Jeremy McCulloch is a Territory Manager in Wells Fargo Equipment Finance’s Vendor Group.
Today’s Small Businesses—Optimistic and Risk Savvy

Newsline speaks with William Phelan, President and Co-founder of PayNet, Inc. who discusses a variety of topics regarding the dynamics of small business lending. When it comes to acquiring equipment, Phelan notes these businesses are apt to borrow with discretion.

With a proprietary database comprised of market intelligence concerning 23 million contracts worth more than $1.3 trillion of small business loans, leases and lines of credit, PayNet is considered the leading provider of credit ratings on businesses in this segment. Newsline took the opportunity to speak with PayNet’s President and Co-founder William Phelan to gain his perspective on state of small business lending and what it all means for the equipment finance industry.

In the following Q&A, Phelan discusses a broad range of topics including the equipment sectors that in terms of financing opportunities are likely to advance, and those likely to recede in the coming months. He also notes small business financing activity from a geographic standpoint. One thing is very clear – when it comes to seeking financing for equipment, small business borrowers are exercising discretion in an effort to avoid overextending themselves.

Newsline: In recent months, data from PayNet has shown historical highs for lending activity and investing by small businesses. Assuming these trends are continuing, what is driving this confidence to invest as it relates to the small business segment of the economy?

William Phelan: Even though the national Small Business Lending Index (SBLI) declined in August, several industry sectors continued to exhibit strength. The consumer is driving private companies to increase investment in order to produce more clothes, groceries and home improvement products and services. We see transportation and warehousing companies buying more trucks and securing more warehouse services. This activity results from so many goods bought online and delivered to the consumer’s house. The consumer is more confident and therefore is purchasing more.

For example, accommodation and food services jumped 12% as more restaurants opened and needed to buy ovens, utensils, furniture and fixtures. Construction increased 12% as well as home remodeling took off.

Newsline: What do the results of the most recent SBLI suggest for the equipment finance industry going forward in terms of anticipated new business volume and portfolio management from an underwriting standpoint?

Phelan: The SBLI signals GDP growth for the U.S. economy. When the U.S. economy grows, businesses ramp up capital spending. This bodes well for equipment finance companies which will provide the growth capital for these purchases – particularly in the consumer driven sectors. The commodity sectors will continue to lag
with the agriculture sector experiencing the end of a super-cycle of growth and profits. Oil exploration and production continues to look for the bottom, so less investment will go into drilling rigs and the specialized trucks.

With regard to underwriting, portfolio management costs should remain low due to above average credit quality. Defaults ended 2014 at 1.5% and are forecast to rise to only 1.8% by year-end 2015.

**Newsline:** The delinquency trend has declined according to the most recent data (July and August) from PayNet. What is driving this trend and should banks and finance companies be looking for a spike in small business delinquencies anytime soon?

**Phelan:** Loans past due fell a few basis points from earlier this year but they aren’t falling leaps and bounds. The surprise is that past due has not risen more as investment rose. Businesses are still cautious about taking on too much debt — they are just in time investors so they buy only when they absolutely need the gear. I expect we’ll see loans past due rising over the next few quarters, because they can’t stay unusually low for much longer. At 1.21% they are only six basis points above the all-time low in October 2013.

**Newsline:** As we end the year, is there anything on the horizon that you expect to influence small business owners’ decisions either in a positive or negative sense with regard to their capital expenditures?

**Phelan:** The 2016 presidential election will put some investment on hold. Elections always bring uncertainty and business owners don’t like to be in the dark on major issues like taxes, healthcare costs, environmental regulations and new social programs. We’ll see investment slow down or go on hold until the election results are clearer. With less investment and a more benign risk taking environment, credit quality will remain above average.

**Newsline:** Geographically, the largest increases in investment are spread across a wider area of the largest states including the West Coast (California), the Southeast (Florida) and the Northeast (Pennsylvania). Why are these areas experiencing the strongest growth?

**Phelan:** Investment by regions shifted from the Midwest to the Coasts. The Southeast is showing much stronger investment partly because this region lagged the broader economy for so long so businesses are now getting into expansion mode.

We see much improvement in the construction sector in states like Florida, New York, and Pennsylvania. In the retail sector, we note in Georgia, Wisconsin, and New York. Both Pennsylvania and New York are showing strength in healthcare. Lastly in the transportation sector, we’re seeing positive signs in North Carolina.

**ABOUT WILLIAM PHELAN**

**PRESIDENT & CO-FOUNDER OF PAYNET, INC.**

William Phelan is one of the nation’s leading experts on small business credit trends and is president and co-founder of PayNet, Inc. PayNet is the leading provider of credit ratings on small businesses enabling lenders to achieve optimal risk management, growth and operational efficiencies. As president, Phelan has grown PayNet into a firm with the largest collection of commercial loans and leases, encompassing more than 23 million contracts worth $1.3 trillion in loan value. Under his strategic direction, Phelan oversees the sales, marketing, analytics and information technology functions across North America.

Phelan’s expertise is regularly quoted by national media outlets including: Reuters, Bloomberg Business News, CNBC, FOX Business News, Associated Press and The Wall Street Journal. As the nation’s leading small business credit expert, Phelan speaks throughout the nation on the latest trends at national industry events.
Leasing equipment to U.S. businesses carries inherent risk. When companies lease equipment to overseas firms however, these risks increase exponentially. International leasing requires businesses to deal not only with the usual challenges of customer qualification and payment management, but also with the laws, regulations and business practices specific to the jurisdiction in which the overseas customer resides. While technology makes it easier than ever to conduct business on a global scale, when businesses lease overseas, it’s important not to assume they have the same information, protections and recourse as they do when leasing to companies within the United States.

Why Foreign Businesses Lease
International companies, such as those in Canada, Mexico, the United Kingdom, Germany, Japan or Brazil, tend to lease equipment for the same reasons as their domestic counterparts. Whether it’s computers, copiers, automobiles or medical devices, leasing frees up capital that otherwise would be spent on purchased equipment. Additionally, it can allow a business to regularly update and upgrade its equipment without having to deal with the hassles of selling off older, out-of-date hardware. Also, depending on the country involved, leasing often provides significant tax advantages.

Furthermore, in many areas, particularly technology and medical devices, the United States remains a leading source for cutting-edge business equipment. Canadian and Mexican companies in particular often find that our advanced technology, physical proximity and the freedoms afforded by the North American Free Trade Agreement combine to make leasing from U.S. sources attractive.

As for lessors, international leasing provides a rich pool of potential customers and helps hedge against economic swings that can vary from country to country. However, while international trade offers leasing companies expanded opportunities, as mentioned before, these opportunities come with increased risk.

Reducing Risk When Leasing to Overseas Customers

International leasing is a rapidly growing field but one that requires serious due diligence in order to enjoy its full benefits. If an equipment finance business understands the rules and plays by them, the world can be its oyster.

By Gavin Harding
The Risks of International Leasing
The risks associated with international leasing tend to fall into the following categories:

- **Frauds** — As with domestic accounts, not all international customers are who they purport to be. International leasing for the purpose of fraud is not unheard of.

- **Domestic laws and regulations** — The USA Freedom Act (formerly known as the USA PATRIOT Act), requires a leasing company to investigate and disclose the background of its international customers. There also are many other U.S. Department of State regulations a company must abide by and paperwork to complete when leasing internationally.

- **International laws and regulations** — Every country and jurisdiction has its own rules and regulations. For example, the recent Safe Harbor ruling by the Court of Justice of the European Union makes transatlantic data transfer more difficult. In Mexico, a company must get written consent in the form of a notarized statement before pulling a credit report on a business. It’s critical to know the local rules before dealing with an overseas customer.

- **Lack of credit data** — Even before the recent Safe Harbor decision, many countries, including those in the European Union, didn’t compile the deep commercial credit data available in the United States. As a result, when evaluating a customer’s potential risk, an American equipment lessor often must base its decision on partial or otherwise incomplete information.

- **Physical distance** — Physical distance alone makes shipping heavy equipment more difficult and repossessing such equipment in the event of default more challenging. Consider the logistical challenges when planning and pricing any international leasing activities.

- **Local culture and customs** — All countries have their own business cultures and traditions. One can never assume the protocols that guide business transactions here in the United States apply elsewhere. In fact, making such assumptions often is a very fast way to offend an overseas customer or get hit with a hefty government fine.

How to Mitigate Your Risk
While it’s important to understand the risks of conducting business overseas, companies need to mitigate the risks in order to capitalize on the opportunity ahead of them. Foremost, companies need to execute due diligence when working with the following:

- **Trade associations and industry networks** — Leverage local industry contacts to seek out experts on the international marketplace. Often, these professional associations and networks have internal experts who can offer guidance or can refer companies to known experts with experience in the countries in which international prospects reside.

- **A credit company that has international bureaus** — The only way to get the local credit data a company needs is to work with a business that has an international presence and has access to reporting services outside the United States. Experian® works extensively in many international territories, where our credit information is the best available.

- **Local partners** — When entering a new territory, find local partners who can help navigate local customs, regulations and traditions.

International leasing is a rapidly growing field but one that requires serious due diligence in order to enjoy its full benefits. Being on the wrong side of local laws can be a business-ending event, but if a company understands the rules and plays by them, the world can be its oyster.

ABOUT THE AUTHOR | Gavin Harding is a Senior Business Consultant in the Global Consulting Practice at Experian.
Each business is different, but there are common inefficiencies that a good equipment finance company will address that make a large difference in customer satisfaction. The two main processes that need to be evaluated in order to succeed when it comes to increasing efficiency in the equipment financing process are the marketing side before the customer expresses equipment financing interest, and the financing process itself.

Marketing
Although it may not be the obvious thought when discussing efficiency in equipment financing, marketing certainly plays a large role in our being able to approve deals quickly. Being in front of our customers with the proper tools and information before their need for equipment financing even arises is key. Marketing campaigns are critical to bringing in customers, and those campaigns need to be thoughtful, frequent, and delivered via a variety of channels.

For example, batch-and-blast marketing campaigns are no longer as effective as they once were. Using what we know about our customers and audience to craft thoughtful, personalized, well-timed campaigns gives us the competitive advantage we need. Engaging customers with tailored content is what sets our campaigns apart from all the other noise crowding clients’
inboxes. We use data and analytics to uncover information about our customers. For example, if customers are visiting our website and searching for a specific term, we then use that data to follow up with the appropriate literature providing greater detail on the topic.

Along with including personalized, tailored content, marketing campaigns should also be frequent. Engaging too infrequently means a firm won’t be at the top-of-mind when the equipment financing need arises. However, if we bombard them too frequently, they’ll become bothered and will likely have a negative perception of us.

While email is the fastest and least expensive way to reach out to customers, not all customers prefer to engage with their equipment financing partner in that way. We take the time to get to know our customers and learn their preferred marketing channels. Some prefer speaking with an actual person via phone calls, while others prefer to receive a direct marketing piece in the mail. Point being, multi-channel marketing campaigns have greatly improved how we service customers in need of financing.

By connecting with our clients more effectively as they are making the decision to acquire more equipment, we can initiate our sale process earlier and provide the client with a quicker and more efficient equipment financing process.

Automating the Approval Process
Paper-handling, underutilization of software and non-value-added activities are all areas that equipment financing businesses should review closely in order to identify where they can make improvements. Though a difficult task at first, process automation is the biggest contributor to our firm’s success in maximizing efficiency. Conducting a thorough process improvement assessment helped us identify the parts of the process that were utilizing the most time and resources.

Having a clear understanding of the process was our firm’s first step in determining where we could automate our equipment financing approvals process. We asked ourselves if there were easier and faster ways to do the most time-consuming steps. Is there an easier way to complete application entry? Are there more efficient ways to package the deal when it’s ready to go for approval? Is it possible to get the documentation package to our customers even faster? The answer to all of those was yes.

Technology is changing the way businesses do most everything, and it continues to be a driving force behind Beacon’s automation, and our ultra-fast equipment financing approvals. Automation by utilizing technology has allowed our business to streamline application entry, credit package compilation, credit communication, credit decision, and documentation generation.

Getting the Deal Done
Once approved, we also use automation to prepare all the necessary lease documents and package them together for our customers. Leveraging electronic documents allows us to utilize the instantaneous nature of the Internet to securely transmit lease documents to our customers, who can then also electronically sign those documents and send them back in mere minutes. Making technology work for you and your business is a surefire way to speed up efficiency.

Out of the box technology solutions add value, but often have limitations that may force a business to change their process. Alternatively, creating your own custom loan processing solutions can be costly and time consuming. At Beacon, we are constantly striving to walk the line between these two alternatives by maximizing the value we can obtain from third party solutions providers while at the same time customizing those solutions to best deliver experience for our clients and employees.

Looking Beyond the Credit Score
Technology is important but having a strong business strategy is critical to a great customer experience. At Beacon, we have focused on becoming an expert in a handful of key markets. The more we know about the industries, the more easily our sales representatives are able to look at an application and know instantly whether or not it can be approved.

A streamlined, automated process coupled with best-in-class leasing consultants has proven to be a winning combination. People, after all, are the best asset any business can have. Therefore, we hire seasoned leasing consultants that know our niche markets and are willing to be advocates for our customers. A strong understanding of our clients’ industry and equipment allow us to turn deals quicker and with a wider credit window than our generalist competitors. Building a strong leasing consulting team and empowering them with a streamlined, automated leasing processing process is an effective combination in turning application flow around quickly for clients and equipment seller partners.

We have seen a lot of success through the automation and optimization of our processes, but it took time and critical thinking. Over time we saw our business processing applications, getting approvals, and bundling deals more quickly and efficiently. In turn, more customers are finding themselves satisfied with and enjoying the equipment financing process, and that’s our ultimate goal. ⚫

ABOUT THE AUTHOR | Toby McDonough is the Vice President of Sales and Marketing at Beacon Funding Corporation.
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Dedicated Commercial Recovery Inc.
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Pawnee Leasing Corporation
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INDUSTRY EVENTS CALENDAR

SoCal Holiday Networking Party
December 3, 2015
Bluewater Grill
Tustin, CA

Minnesota Ice Fishing
February 18, 2016
Lake Minnetonka
Minneapolis, MN

National Equipment
Finance Summit
March 2-4, 2016
Hotel Monteleone
New Orleans, LA

2016 Funding Symposium
October 6-8, 2016

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Commercial Loan Workouts – Five Points to Consider

By Howard S. Toland, Esq.

When facing the troubled debt situation, a lender should evaluate the prospect of a commercial loan workout as a plan for a comprehensive solution to the obligation. Here are a few pointers to consider.

With the continuing choppy economy and fears of future increases in interest rates creating rippling-wave effects on customers of equipment finance lenders and financial institutions, lenders will soon to be faced with the dilemma of borrowers with the inability to honor the existing commitments. A decision maker is faced with following the old maxim of “taking your first loss which is the best loss” or modifying, extending and forbearing on an existing agreement creating a workout. The workout may allow a borrower the opportunity to remain in possession of the collateral, perhaps with an unblemished credit record and the intention to continue to adhere to a restructured payment plan that may allow some breathing room for both borrower and lender, providing a stream of income and a grateful customer.

A workout may include a forbearance agreement or a loan modification or a restructure. These obligations may be secured with collateral, personal guaranty or other form of security and generally because of the value of the collateral to the business operation, the borrower is motivated to reach an amicable workout and has some capacity to effectuate it. Each workout will, of course, depend greatly on the specific obligation; the character of the borrower and guarantor; and the value of the property as an ongoing concern to the business as well as the possible liquidation value; depreciation and wasting nature of the asset if seized; and involuntarily liquidated at a subsequent forced sale.

When facing the troubled debt situation, a lender should evaluate the prospect of a commercial loan workout as a plan for a comprehensive solution to the obligation. This approach may or may not include a loan modification. The workout plan may include a forbearance agreement which typically may temporarily defer payment, require interest only payments or waive late fees, penalties or other costs and charges. The goal is to allow the borrower a set time frame to locate substitute financing or just to give the parties some rapid short-term relief while a permanent resolution is being negotiated.

The loan modification may be an opportunity to address a loan delinquency or deal with an anticipated loan default which would occur in the future if the agreement was not modified. In addition, the law continues to evolve and developments in loan requirements may have altered since the loan origination date.

The opportunity to review, revise and update the loan documents in an amicable setting can result in a substantial increase in the ability to enforce all the possible remedies of the creditor. A grateful borrower
obtaining additional time from the forbearance to remain in continued operation may accept revisions which may have been overlooked or rejected at the inception of the transaction. Adding strategic provisions like an agreement to consent to vacating the automatic stay relief of a subsequent bankruptcy, consent to appointment of a receiver with a minimal bond in the event of a breach of the terms or including an early exit penalty for a prepayment, may be approved by the borrower in the negotiations. Often the modifications obtained involve the alteration of the interest rate, the alternating of the loan term or the maturity date and the addressing of penalties and or fees.

Prior to the documentation of the workout or forbearance, it is critical to review and evaluate the effect or presence of other possible liens which may have been issued and attach to the collateral or which could be enforced by another creditor. A debtor may not even be aware of the tax lien or other municipal lien which may have attached. In particular a lien which has attached and impacts the value or ownership of the property alone may preclude a workout. Certainly the presence of the lien and its resolution or treatment would be a condition of a forbearance, whether by satisfaction, payoff or release of the obligation.

Five Points to Consider
1. Have a plan and a strategy in mind when meeting with the borrower and guarantor. That goal-oriented meeting will allow for focus on the manner to resolve the matter without litigation. With a complete understanding of the borrower’s circumstances which lead up to the threatened default, a workout may be reached which is feasible with the debtor’s cooperation. They may be able to provide added collateral to provide a credit enhancement if they lack the funds available for a pay down. You do not to waste your time seeking concessions or enhancements that are unavailing; especially if all the assets of the debtor and guarantor are already pledged and secured. Instead, focus on other consideration that is possible so a result can be obtained.

2. Prior to the meeting, have the parties sign a authorization letter for the meeting and consenting that the discussions are all in the effort to negotiate and resolve the matter. More importantly, this letter should specify the terms and conditions discussed are not valid, binding or enforceable until a written agreement is entered into by the parties. This concession that no oral representations are binding on the lender will potentially avoid a counterclaim based on alleged understandings reached and not documented. The letter should contain clauses which recite that discussions and negotiations shall be non-binding and shall not result in a binding agreement unless and until an express written agreement is executed by authorized representatives of the lender, borrower and guarantors. Neither the borrower nor guarantors may rely on any verbal or written statements or representations made by the lender during such negotiations and any reliance on the part of the borrower and/or guarantors shall be deemed unreasonable. No oral or written statements, course of dealing or implied agreement made shall serve to amend the existing loan documents nor shall act as a waiver alteration, amendment or modification thereof, unless and until a formal written agreement is signed by authorized representatives of the borrower and lender. Furthermore, any delay by the lender in enforcing its rights shall not be a release or waiver of the event of default and shall not be relied upon by the borrower and/or guarantors as a release or waiver of a default.

3. Be comprehensive in the scope of discussions for the resolution. You want to be certain to include all key terms in the discussions so that there is no potential for misunderstanding and delay as legal documents are drafted and exchanged to memorialize the workout structure. You do not want to lose the energy and dynamic by an extended delay between the meeting and the documentation, as delay benefits one party and harms the other. Human nature is to second guess the terms and seek a more favorable enhancement by reopening the discussions that create an extended delay and a lack of trust in the parties.

4. Be very wary of “overstepping.” Offer no advice to the borrower regarding his or her financial circumstance or how to operate the business or alter the operation. You want to avoid providing any support for a theory that may later be construed as you as lender exerted undue influence on the borrower and guarantor in order to alter the loan agreement in some fashion which resulted in the eventual default. A lender should avoid the possible claim by the borrower or guarantor that they relied on the lender in the capacity of a fiduciary, or participated in a joint venture, instead in the context of the creditor/debtor relationship.

5. Keep in mind that the asset may end up in litigation or liquida-
tion and try to enhance your position while both sides are cooperating. These concessions do not impact the borrower now but will have great value if the matter does proceed to litigation. Often this is the one time the borrower and guarantor are willing to provide full financial disclosure as to the operation; to permit a in person inspection; or to list and exchange information on all the personal property which may be secured to a blanket lien. The parties may agree to which state law will control the matter as well as the forum the lender prefers -- generally in a state in which it is located. The parties may also agree that in the event of a breach, a receiver may be appointed; a minimal bond may be posted; a waiver of a right to jury trial; and consent to the waiver of the automatic stay in bankruptcy.

ABOUT THE AUTHOR | Howard S. Toland is a partner in Fort Lauderdale, FL office of Mitran, Rynor, Adamsky & Toland, P.A.
Taking Time to Remember – A Salute to NEFA Veterans

As every November 11th is designated as Veteran’s Day, Newsline thought it only appropriate to take a moment to reflect on the men and women of the United States’ armed forces, the courage they exhibit and the sacrifices they make on our behalf.

To celebrate a holiday that is oftentimes overlooked, Newsline asked three NEFA members who have served in the military to share their stories. Ascentium Capital’s Bob Fisher, Signature Financial’s Kerry Mach and Financial Pacific Leasing’s Matt Mosley speak to particulars of their service and more importantly, to the impetus to join the armed forces and the lessons learned from their experiences.

Newsline is grateful to Bob, Kerry and Matt not only for their service to our great country, but also for their participation in this salute to veterans everywhere.

BOB FISHER, CFLP
ASCENTIUM CAPITAL
FIRST LIEUTENANT – U.S. MARINE CORPS

Prepared to Face the Challenges in Life and Career
I served in the United States Marine Corps Reserve from August 1968 to May 1971 (active duty) and served in Vietnam during 1969/1970. When I left the Marine Corps I was a First Lieutenant, Company Commander, Infantry Training Regiment at Camp Pendleton, CA.

In January of 1969 and left boot camp as a Private First Class to go on to further training. I also had voiced my desire to qualify for the Commissioned Officer at Platoon Leaders Course at Quantico. Upon graduation I was commissioned a Second Lieutenant, agreed to extend my commitment five additional years in the Corps and continued on to Basic School for six months to learn how to be an officer and gentleman. I’m not so sure that Gentleman stuff stuck!

All kidding aside, the design is that all Marines are infantry trained and I was also a Combat Engineer Officer. I landed in Da Nang in 1969 and was assigned to the 11th Engineer Battalion in Dong Ha (Northern I Corp in South Vietnam). I moved to Camp Butler, Okinawa 1970 with the 3rd Marine Division, H and S Company as Company Commander and remained there until I returned to the States. Upon my return I was assigned a company at Camp Pendleton, training recruits out of boot camp in San Diego to be infantry marines.

I cannot possibly give full justice to what the Marine Corps did for me – the opportunity to understand the need for discipline, the ability to mature, to serve my country, to serve with the best Marines ever, the ability to lead Marines in and out of combat. I would trade none of it. It is true that once a Marine always a Marine. Even now 40 years later, I still remember my fellow
As far as translating my service to my current profession, I would say that the Corps prepared me to face challenges, make evaluations and execute a plan. I have found the equipment leasing and finance industry is very different from the Marine Corps other than this … I have found that some of the most dedicated and professional people are in both.

KERRY MACH
SIGNATURE FINANCIAL
SERGEANT – U.S. MARINE CORPS

A Small Price to Pay
I came from a family of limited means, which meant I was going to have to pay for my own schooling if I wanted to go to college. I completed two years of Community College working part time, but needed more money if I wanted to continue my education. I looked around the neighborhood I grew up in and realized that if I stayed there, my future would present me with very few options of ever getting ahead. At the same time this was going on, one of my friend’s brothers had come home on leave from Camp Lejeune, NC. I was impressed by his attitude, his demeanor, and his overall passion for the Marines. He came from a similar background as me, and he had made something out of himself. That was in the beginning of August 1981 and I went to my recruiter on Aug 11th and was off to begin my military career on the 31st.

Limited opportunities at home coupled with a way to get out and see the world were powerful motivators. I never really looked at my service as a sacrifice; it seemed more like a duty to me and a part of being a citizen. My father had been in the Army and I had uncles on both sides of the family who served in the armed forces. And while none of them made a career in the service, I knew they were all in some unspoken way, proud to serve their country. The training, the experience being away from home and missing my friends and family, were really a small price to pay for allowing me to continue my education both formally and in learning lessons that could never adequately be taught in the civilian world.

Lastly it was the discipline, the attention to detail, the ability to adapt under intense pressure and the willingness to sacrifice for the betterment of the team that prepared me for a life of success … because as a Marine, failure is never an option!

MATTHEW MOSLEY, CLFP
FINANCIAL PACIFIC LEASING
GEORGIA ARMY NATIONAL GUARD

No Greater Love
I was in the Georgia Army National Guard for 11 years (1992-2003) serving a one-year tour in 2000 with the US Army in Bosnia. My rank was an E-5 or sergeant.

For my part, I wasn’t really called into the service. I received the Georgia Military Scholarship in 1992 to attend North Georgia College, where I was to serve four years during school and then four years after I graduated. Uncle Sam used me, and I used him and we got along pretty well. I was able to graduate without school debt in 1996. It was nice to be able to serve and then have something very tangible to show for it in return. I didn’t experience much in the way of family sacrifice for me due to the fact I was so young and did not have a wife or children.

The military helped me learn what the word “service” really means. It really means sacrifice – the act of giving something that you really want to keep. In the daily routine of my job, I try to serve my customers and co-workers with the respect and effort they deserve as well as how I would want to be treated in return. I think it’s best expressed by this quote from John 15:13 — Greater love has no man than this, that a man lay down his life for his friends.
To close out 2015, we devote the final pages of this issue of *Newline* to a conversation with Tara Aasand, NEFA’s outgoing president and her successor, Gary Souverein.

We begin by asking both to share both their personal histories with NEFA and what it was that compelled them to step into a board position with the Association. Aasand explains, “I began volunteering with NEFA about ten years ago. I began my involvement by coordinating regional events and by joining various committees. This involvement afforded me the opportunity of working with my existing clients as well as prospective clients outside of the normal course of business. I realized the value of my involvement in terms of developing relationships, referral sources and friendships. So, stepping into a board position was a ‘no-brainer’ for me … the Association has given me back ten times what I have put into it.”

Souverein says, “Simply put, I really enjoy the people of this industry association both professionally and personally. I’ve been active in NEFA for 20-plus years and have made so many fantastic professional friends by being involved in committees, panels, and conference preparations. My experiences there had me seek greater involvement with NEFA. I’ve also worked with Gerry Egan on industry-related projects and I saw joining the board as a great opportunity to support Gerry in his leading, stewardship and the continuing evolution of our vibrant group.”

**Looking Back and Into the Future**

*Newline* asked Aasand to take a moment to speak to the accomplishments the Association achieved during her tenure as president. She notes, “I would say the most important accomplishment is that the Association has begun the process of developing a detailed strategic plan. Having this strategic plan will help to align NEFA with its members interests even more closely. It also will provide future boards with a consistent path to follow.”

We ask Aasand to comment on what she takes away on a personal level having served as NEFA president this year. To this she says, “I was able to work with amazing people in our industry on many levels. My involvement provided great exposure for me and my company as well … that is fantastic!”

Turning to the future, *Newline* asks Souverein share what excites him most as he assumes his new role. He says without pause, “Under Gerry and Tara’s capable
leadership this past year, the NEFA Board was the most effective that I’ve seen in several years of my involvement with the Board and the Executive Committee.

“NEFA has transformed itself after the recent recession and has made significant and effective changes as to how it operates. This past year we developed the groundwork for what we think will be the incremental changes needed to an already effective Association, which will further benefit our members. I’m excited to help lead and further develop that plan not only with NEFA’s professional staff --- Gerry, Kim and Jamie – but also with the NEFA Board and across our membership as well.”

As for what’s in store, Souverein shares his thoughts as to what will bring NEFA to the next level. “I would like to see our members foster NEFA’s core values of Education, Professionalism and Community and bring them to a deeper level. The NEFA board has adopted these as a part of recent strategic planning and as Tara mentioned, these values will serve as guiding principles of the Association’s plan for the next several years.

“Personally, I’d like to see more than one company representative participating in NEFA and we intend to make that a compelling and worthwhile proposition by creating new opportunities for more of our members’ personnel to be engaged either remotely or at our conferences. How great would it be to see our conference participation double, triple or even quadruple? How more vibrant, diverse and informative would our effort be if every company was engaged and brought its future leaders to NEFA?”

Parting Thoughts

Newsline asks Aasand if she has any words of advice as she passes the president’s gavel to Souverein. She says, “I would encourage Gary to stay the course in our strategic planning and I know he’ll be supportive of the NEFA Board, Executive Committee and of course, the NEFA staff. Gary is an incredibly smart person and will do amazing things for the Association.”

For his part, Souverein says, “Our membership should know that we have highly capable, prudent and caring leadership at NEFA. On a personal level, I’d like current and prospective members to understand how transformational being engaged with NEFA can be not only for one’s company, but for one’s professional career as well. While I’ve been in this business for quite some time, I was lucky many years ago in that Pawnee Leasing’s leadership saw involvement with the Association as worthwhile … even as a mid-level employee. I was able to attend and be involved with NEFA – back then, the UAEL and EAEI.

“NEFA involvement has been truly priceless for Pawnee Leasing. I look back at our company’s transformation from a small, privately held niche funder to a where we are today and note that NEFA involvement was an integral part of the milestones we’ve achieved. But you have to be involved … it’s the only way to build a professional network. Our greatest attribute at NEFA is that we have a membership that is welcoming, warm and willing to share with one another.”

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