Thank you for joining us for the Foundation of Equipment Finance Series!

The National Equipment Finance Association (NEFA) is a national trade association comprised of professionals serving the equipment leasing and finance industry. Our member companies are diverse and include independent and bank-owned lessors and funding sources, commercial finance brokers, specialty lenders, and various specialized service/product providers serving the needs of these equipment finance specialists.

NEFA's members are highly skilled in their fields and believe that working together to advance the equipment leasing and finance industry is incredibly important and best achieved by working collectively.

NEFA
National Equipment Finance Association

The National Equipment Finance Association, since formed, has always provided educational resources for the membership. Following the 2023 Strategic Planning process, NEFA increased the focus on Educational Offerings for the membership by hiring an industry veteran as the Manager of Education. This person will manage and curate these offerings. Additionally, NEFA has invested in securing other industry experts to provide education both virtually and at regional events.

The online portion of NEFA's education is at no cost to members through informative online workshops and webinars. We also provide educational sessions at various regional events and conferences.

We invite you to explore all the NEFA educational offerings:

- Spring and Fall Conference (Education through Round Tables, Presentations, Moderated Panels, Peer Networking, etc.)
- Regional Events
- Knowledge Exchange
- Virtual lessons

NEFA

National Equipment Finance Association

NEFA LEVEL 1:

Four Course Overview

Sudhir Amembal
Chairman & CEO
Amembal & Halladay

Bob Rinaldi
President
Rinaldi Advisory Services

Equipment Leasing & Finance ("ELF")

Course 1
Industry Overview & Products Offered

Course 2
Equipment Finance Benefits

Course 3
It's About The Equipment

Course 4
How Equipment Finance Companies Make Money

It’s About The Equipment

Bob Rinaldi

PRESIDENT, RINALDI ADVISORY SERVICES

Sudhir Amembal

CHAIRMAN & CEO, AMEMBAL & HALLADAY

Workbook Instructions

1. The workbook mirrors the lecture, but is designed to allow note-taking
2. Many pages in the workbook have empty shaded grey spaces (see example below)
3. The empty spaces are intended for two reasons:
   a) To write what you will view in these spaces in the video. This breaks the monotony of just listening!
   b) To input the answers to questions you will be asked. This keeps you challenged!

Example:

→

Example:

Regulatory

Bob Rinaldi

PRESIDENT, RINALDI ADVISORY SERVICES

- Bob Rinaldi is a trailblazing entrepreneur and the driving force behind Rinaldi Advisory Services, a renowned consultancy specializing in equipment leasing and financing. With a penchant for unconventional strategies and a track record of success spanning multiple ventures, Rinaldi and his distinguished team of seasoned chief executives in the industry, bring a wealth of experience to the table.
- In 2018, Rinaldi founded Rinaldi Advisory Services ("RAS"), swiftly establishing it as the premier advisory firm in the equipment leasing and finance domain. RAS is widely recognized for its expertise in crafting exit strategies for independent leasing companies and devising entry strategies for banks seeking to enter this lucrative market.
- Before RAS, Rinaldi held pivotal leadership roles, including serving as Chief Executive Officer of Commercial Industrial Finance ("CI Finance"), a nationally acclaimed equipment finance company. Under his stewardship, CI Finance was successfully acquired by CBank, a prominent Cincinnati-based community bank focusing on commercial and industrial lending to small and medium trans-sized businesses.
- Rinaldi's illustrious career also includes tenure as Senior Vice President of CSI Leasing, where he spearheaded organic and inorganic growth initiatives. He further distinguished himself as Executive Vice President of National City Commercial Capital Company (NC4), now PNC, and as President of NC4 Canada. Notably, as a founding partner of Information Leasing Corp. (ILC), later acquired by Provident Bank, Rinaldi played an instrumental role in propelling the company to become the fifth-largest bank-owned leasing enterprise in the United States.
- Recognized for his outstanding contributions to the industry, Rinaldi has served as Chairman and Director of the Equipment Leasing and Finance Association (ELFA), a prestigious role within the premier trade association representing the $1 trillion equipment finance sector. His dedication and advocacy have been honored with prestigious awards, including the Steven R. LeBarron Award for Principled Research and the David H. Fenig Distinguished Service in Advocacy Award.
- Currently, Rinaldi continues to shape the industry landscape as a director of the National Equipment Finance Association. He remains actively involved in industry research and development initiatives, serving on the Equipment Leasing & Finance Foundation's Research Subcommittee and Development Committee.
- Rinaldi's expertise extends beyond the boardroom, as evidenced by his extensive contributions to thought leadership through speaking engagements and publications, both domestically and internationally. A proud alumnus of Michigan State University, Rinaldi holds BS degrees in Animal Science and Agricultural Biochemistry.
- For further inquiries or collaboration opportunities, Rinaldi can be contacted at Bob@RinaldiAdvisory.com. Connect with him on LinkedIn or explore his dedicated website, www.RinaldiAdvisory.com, dedicated to honoring the pioneers of the modern equipment leasing industry.

Sudhir Amembal

CHAIRMAN & CEO, AMEMBAL & HALLADAY

- Sudhir Amembal is the Chief Executive Officer of Amembal & Halladay, the world's foremost authority in the field of equipment finance training, consultancy and publications. He co-founded the firm in 1978. The firm has trained over 80,000 professionals throughout the world.
- As a government advisor, Mr. Amembal spearheaded lease consultancy engagements conducted on behalf of over 20 governments . These engagements required him to review the overall leasing industry in each country and devise strategic recommendations to facilitate the growth of the industry.
- As an author he has authored or co-authored 18 publications including: Leasing-The Creative Financing Alternative, Winning With Leasing, Operating Leases: The Complete Guide, International Leasing: The Complete Guide, The Handbook of Equipment Leasing, Lease Securitization, A Guide to Accounting for Leases, and A Guide to Captive Finance Company Equipment Leasing.
- As an educator, he has conducted training sessions in over 80 countries. His latest offerings include five e-learning courses. His flagship seminar " Winning With Leasing" is offered virtually as an interactive one-day seminar.
- As a keynote speaker, he has presented at numerous domestic and international conferences. He has addressed conventions held by all four of the global regional associations – African Leasing Association, Asia Lease, Lease Europe, and the Latin American Leasing Association. He chaired each of the annual World Leasing Conventions from 1993 until its discontinuance in 2013.
- In 2016, Mr. Amembal was inducted into the Equipment Finance Hall of Fame by the Equipment Leasing and Finance Association. The honor is bestowed on those who have made unique, significant, and lasting contributions to the equipment finance industry. He was a nominee for "The Legend" award at the Monitor Converge 2023 and a nominee for the "MVP Behind the Scene" award at the Monitor Converge 2023 and 2024. He was the first person to be awarded an honorary CLFP credential.
- He has served as an independent Board member for Corplease in Egypt, as well as for Operadora de Servicios Mega in Mexico. He served as Chief Advisor to two prominent leasing companies in China – CMIG Leasing Group and Juxin International Leasing Company.
- He served as Chairman of Amembal Capital Corporation, a middle market leasing company for a period of five years. Prior to founding Amembal & Halladay,, he was a member of the faculty at the College of Business, University of Utah, prior to which he worked for Ernst & Young in New York.
- He has a Bachelor of Commerce from the University of Bombay, and an M.B.A. from the University of Utah. He successfully passed the CPA examination in New York.
- He resides with his wife, Kiran, in Salt Lake City, Utah and San Miguel de Allende, Mexico.
- Mr. Amembal can be contacted at sudhir@amembalandhalladay.com or at (503) 867-5065

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PART 1

Role of Equipment

Role of Equipment

Essential Use

Significance

Bank C&I vs EF

Essential Use Attributes

Equipment / Asset	Customer	Use
Value over time	Does it fit the business?	Purpose
Useful life (short to very long)		Essentiality
Cost reasonability (Yes or No)		Net addition
Revenue generating (Yes or No)		Replacement
Remarketability? (Yes or No)		

Pop Quiz: Example

Cappuccino Machine **$5,000**

Customer/User	Essential Use
Cafe	
Tech Company	
Planet Fitness Gym	

Significance

Customer's Propensity to Pay

Fraud Prevention – is the equipment a logical fit for the customer's business?

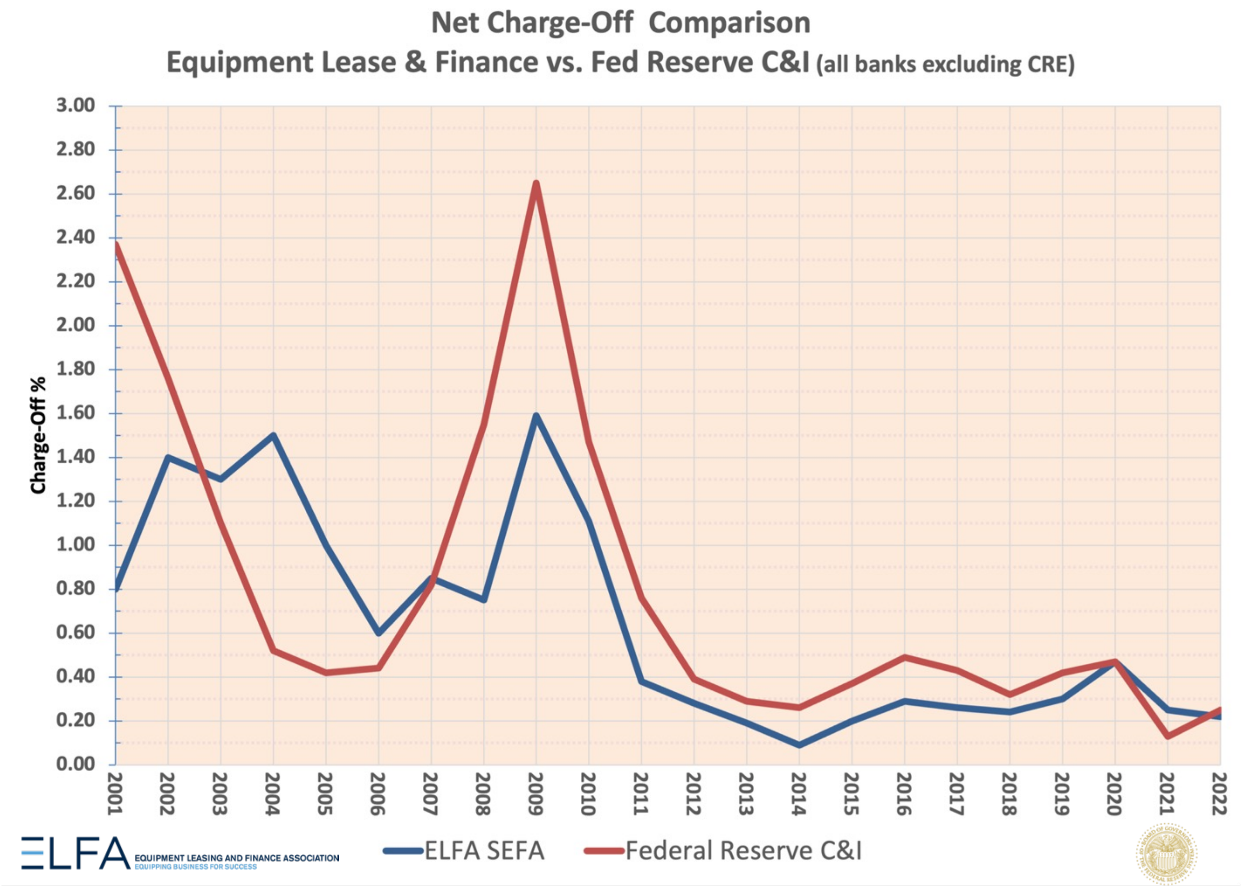
Fit to Lessor's Business & Credit Model

Equipment leasing's hallmark

Net Charge-Off Comparison

Fact: EF performs better than traditional commercial and industrial lending (excluding commercial real estate)

Example: Lines of Credit, Term loans, Asset Based Lending, Factoring



PART 2

Top 12 Equipment Types

Top 12 Equipment Types

- Agriculture machinery
- Construction machinery
- Materials handling equipment
- Other industrial equipment
- Medical equipment
- Mining and oilfield machinery
- Aircraft (Corporate)
- Ships and boats
- Railroad equipment
- Trucks
- Computers
- Software

Top 12 Equipment Types

#1 Trucks

#2 Agriculture machinery

#3 Construction machinery

#4 Materials handling equipment

#5 Aircraft (Corporate)

Other industrial equipment

Medical equipment

Mining and oilfield machinery

Ships and boats

Railroad equipment

Computers

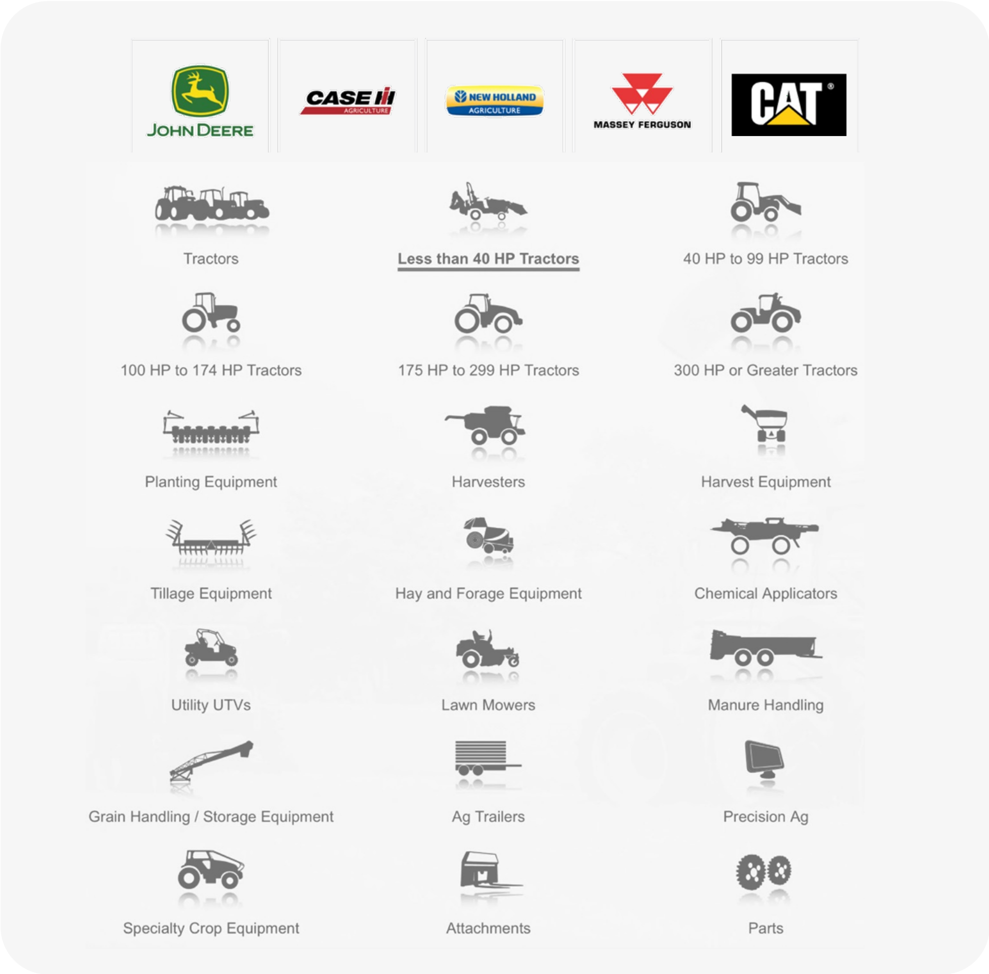
Software

PART 3

Attributes of Each Equipment Type

Note: The attributes presented are meant to be used “generally speaking”. There will always be exceptions!

Agriculture Machinery



Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Photos and Logos courtesy of Sandhills Global

Construction Machinery

Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

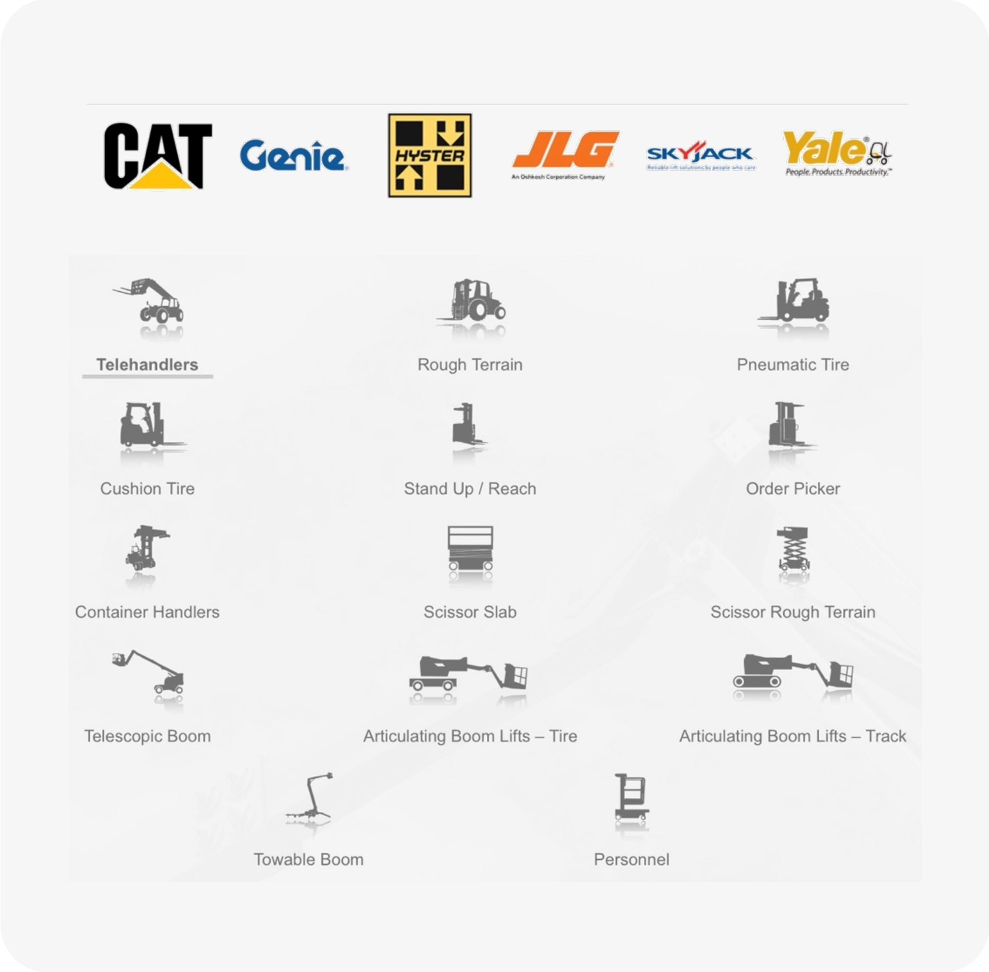
Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Photos and Logos courtesy of Sandhills Global

Materials handling equipment



Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Photos and Logos courtesy of Sandhills Global

Other Industrial Equipment

- Users' Credit (A-D)
- Trans Size (Sm, Mid, Lg)
- New or Used (N, U)
- Avg. Yield (Low, Med, High)
- Avg. Term (S, M, L)
- Useful Life (S, M, L)
- Players (Bank, Ind, Cap)

Photos and Logos courtesy of EQUIPMENT FINANCE GROUP

Medical Equipment

Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

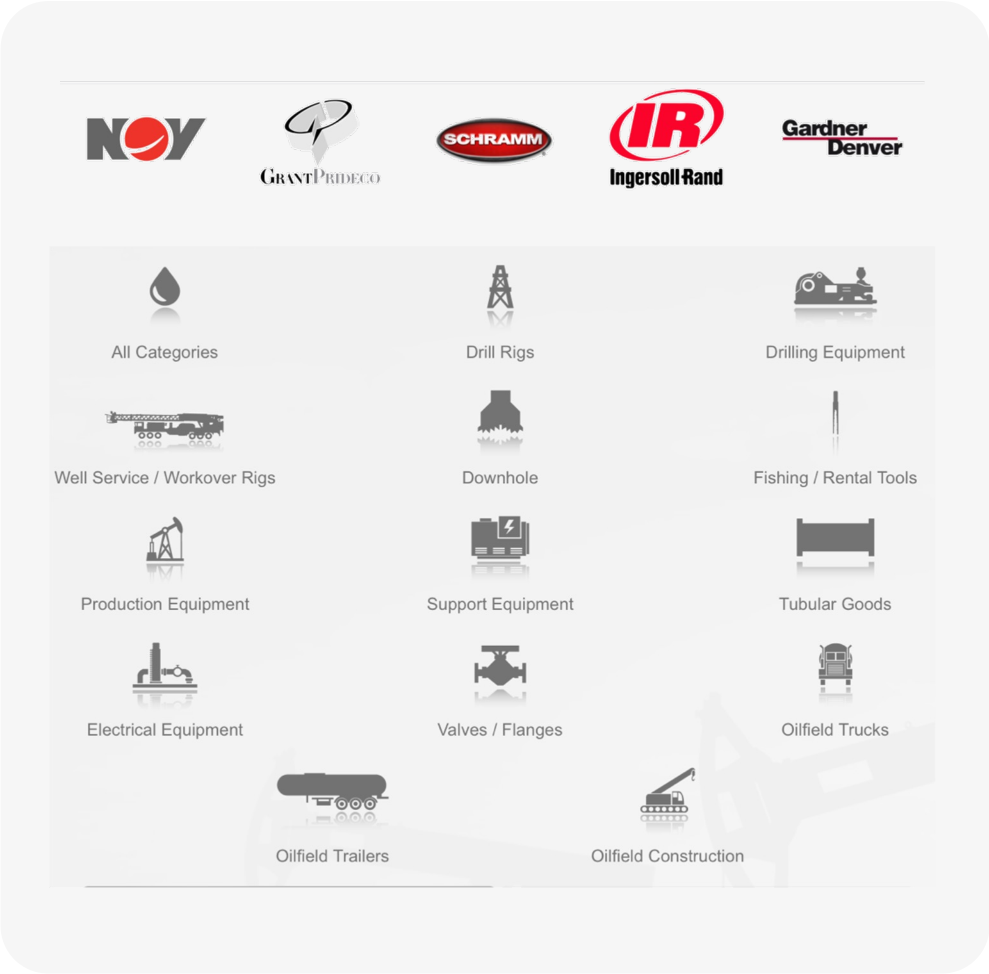
Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Photos and Logos courtesy of Med One

Mining and Oilfield Machinery



Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Photos and Logos courtesy of Sandhills Global.

Aircraft

Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Photos and Logos courtesy of Sandhills Global

Ships & Boats

Brown Water


Blue Water

Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

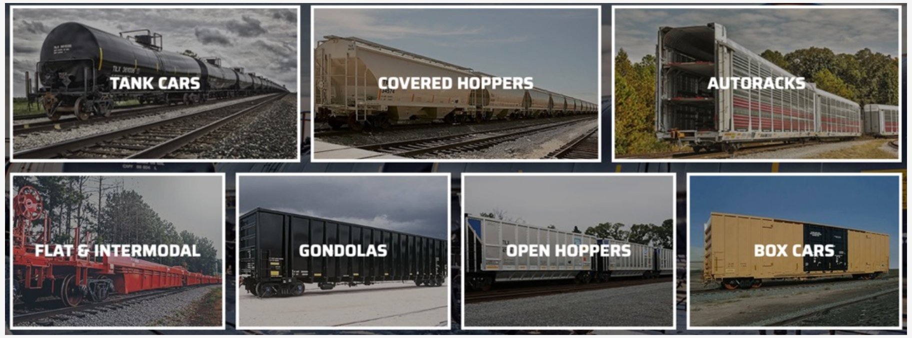
Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Photos and Logos courtesy of Sandhills Global

Railroad Equipment



Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Trucks

Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Photos and Logos courtesy of Sandhills Global

Computers

Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

Software

Users' Credit (A-D)

Trans Size (Sm, Mid, Lg)

New or Used (N, U)

Avg. Yield (Low, Med, High)

Avg. Term (S, M, L)

Useful Life (S, M, L)

Players (Bank, Ind, Cap)

PART 4

Conclusion

Conclusion

It's Called The Equipment Leasing & Finance Industry For a Reason

It's Our Differentiator

Equipment / Asset Type Matters

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Thank you!