

Customer Accounting (Lessee)



FASB CLASSIFICATION TEST

CAPITAL ACCOUNTING - AMORTIZATION

Reduced by D

Capitalized Lease
(Asset)

Data to be inputted (shaded)

Quote	3828325
Type Open (1) Closed (0)	1
Contain Guarantee language Y(1) N(0)	1
TRAC Addendum (1) Yes (0) No	0
Pro Rata Period (# of days)	0
Original Term (# of months)	60
Annual Estimated Mileage	15,000
Capitalized Price	51,663.00
Billed items	0.00
CPR/GOP	0.00
FASB Delivered Price (Capitalized Price + DLP + CPR/GOP)	51,663.00
Depreciation	861.02
Management Fee	43.57
Interest Rate	130.42
Monthly rate charge	1,035.01
Pro Rata Revenue	0.00
Pro Rata Depreciation Billed	0.00

		51,663
Month	0	51,663
Month	1	50,802
Month	2	49,941
Month	3	49,080
Month	4	48,219
Month	5	47,358
Month	6	46,497
Month	7	45,636
Month	8	44,775
Month	9	43,914
Month	10	43,053
Month	11	42,192
Month	12	41,331
Month	13	40,470
Month	14	39,609
Month	15	38,748
Month	16	37,887
Month	17	37,026
Month	18	36,165
Month	19	35,304

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Borrowing Rate (annual) (override if provide by customer)	7.49%
Residual sale price (to be determined at end of lease)	0.00

	Capitalized Lease (Asset)
Month 20	34,443
Month 21	33,582
Month 22	32,721
Month 23	31,860
Month 24	30,999
Month 25	30,138
Month 26	29,276
Month 27	28,415
Month 28	27,554
Month 29	26,693
Month 30	25,832
Month 31	24,971
Month 32	24,110
Month 33	23,249
Month 34	22,388
Month 35	21,527
Month 36	20,666
Month 37	19,805
Month 38	18,944
Month 39	18,083
Month 40	17,222
Month 41	16,361

Calculation of Implicit Interest Rate

Capitalized Price	51,663.00
Less: Pro Rata Revenue	0.00
Capitalized Price being financed	51,663.00
Term	60
Monthly Rate Charge	1,035.01
Terminal RBV	1.80
Implicit Interest Rate (monthly)	0.62%

FASB Data Calculations used for Test

Term	60
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Customer Accounting (Lessee)



FASB CLASSIFICATION TEST

CAPITAL ACCOUNTING - AMORTIZATION

Reduced by D

Monthly borrowing rate	0.62%
Valid 20% addendum Y(1) N(0)	0
Terminal RBV	1.80
Customer Residual Guarantee	1.80

	Capitalized Lease (Asset)
Month 42	15,500
Month 43	14,639
Month 44	13,778
Month 45	12,917
Month 46	12,056
Month 47	11,195
Month 48	10,334
Month 49	9,473
Month 50	8,612
Month 51	7,751
Month 52	6,890
Month 53	6,029
Month 54	5,168
Month 55	4,307
Month 56	3,446
Month 57	2,585
Month 58	1,724
Month 59	863
Month 60	2

FASB Classification Test

PV of monthly payments	51,661.76
PV of Cust. Residual Guarantee	1.24
Pro Rata Revenue	0.00
Billed items	0.00
CPR/GOP	0.00
PV of Customer Payments	51,663.00
90% of DELP	46,496.70
Lease Classification	Capital

Accounting Data (Operating and Capital)

TOTAL

Customer Accounting (Lessee)



FASB CLASSIFICATION TEST

Revised Lease Term 60.00



CAPITAL ACCOUNTING - AMORTIZATION

Reduced by D

Capitalized Lease (Asset)

Capital Accounting Data

Pro Rata Depreciation Expense (NOT BILL)
Monthly Depreciation Expense (NOT BILL)
PV of monthly payments
PV of Terminal RBV
Pro Rata Revenue
Billed items
CPR/GOP
Initial Asset/Liability

CAPITAL ACCOUNTING - JOURNAL ENT



Record Capital lease asset/liability
Dr. Capital lease asset

Customer Accounting (Lessee)



FASB CLASSIFICATION TEST



CAPITAL ACCOUNTING - AMORTIZATION

Reduced by D

Capitalized Lease
(Asset)

Cr. Capital lease obligation

Record Cap price reduction/Gain on prior as

Dr. Capital lease obligation

Cr. Cash

Record Prepaid billing asset

Dr. Capital lease obligation

Cr. Cash

Record pro-rata billing

Dr. Capital lease obligation

Cr. Cash

Customer Accounting (Lessee)



FASB CLASSIFICATION TEST



CAPITAL ACCOUNTING - AMORTIZATION

Reduced by D

Capitalized Lease
(Asset)

Record depreciation expense

Dr. Depreciation Exp
Cr. Acc Dep



Record monthly billing

Dr. Interest Expense
Dr. Capital lease obligation
Cr. Cash

Customer Accounting (Lessee)



FASB CLASSIFICATION TEST



CAPITAL ACCOUNTING - AMORTIZATION

Reduced by D

Capitalized Lease
(Asset)

Record depreciation expense

Dr. Depreciation Exp
Cr. Acc Dep

Settlement

Sale of Asset

Dr. Capital lease obligation
Dr. Cash/GOP Asset
Cr. Capital lease asset
Cr. Gain on Sale



TABLE

D	Reduced by C	A	B	C	D=A-B	E=D+B
Depreciation Expense	Obligation under Capital Lease (Liability)	Monthly Payment	Interest Expense	Management Fee	Reduction to liability	Total Expense
	51,663					
0	51,663	-	0	43.57	-	-
861	50,951	1,035	323	43.57	712	1,184
861	50,234	1,035	318	43.57	717	1,179
861	49,512	1,035	314	43.57	721	1,175
861	48,786	1,035	309	43.57	726	1,170
861	48,056	1,035	305	43.57	730	1,166
861	47,321	1,035	300	43.57	735	1,161
861	46,582	1,035	295	43.57	740	1,156
861	45,837	1,035	291	43.57	744	1,152
861	45,089	1,035	286	43.57	749	1,147
861	44,335	1,035	282	43.57	753	1,143
861	43,577	1,035	277	43.57	758	1,138
861	42,814	1,035	272	43.57	763	1,133
861	42,046	1,035	267	43.57	768	1,128
861	41,274	1,035	263	43.57	772	1,124
861	40,496	1,035	258	43.57	777	1,119
861	39,714	1,035	253	43.57	782	1,114
861	38,927	1,035	248	43.57	787	1,109
861	38,135	1,035	243	43.57	792	1,104
861	37,338	1,035	238	43.57	797	1,099



TABLE

D	Reduced by C	A	B	C	D=A-B	E=D+B
Depreciation Expense	Obligation under Capital Lease (Liability)	Monthly Payment	Interest Expense	Management Fee	Reduction to liability	Total Expense
861	36,536	1,035	233	43.57	802	1,094
861	35,730	1,035	228	43.57	807	1,089
861	34,918	1,035	223	43.57	812	1,084
861	34,101	1,035	218	43.57	817	1,079
861	33,279	1,035	213	43.57	822	1,074
861	32,451	1,035	208	43.57	827	1,069
861	31,619	1,035	203	43.57	832	1,064
861	30,781	1,035	197	43.57	838	1,058
861	29,939	1,035	192	43.57	843	1,053
861	29,090	1,035	187	43.57	848	1,048
861	28,237	1,035	182	43.57	853	1,043
861	27,378	1,035	176	43.57	859	1,037
861	26,514	1,035	171	43.57	864	1,032
861	25,645	1,035	166	43.57	869	1,027
861	24,770	1,035	160	43.57	875	1,021
861	23,890	1,035	155	43.57	880	1,016
861	23,004	1,035	149	43.57	886	1,010
861	22,112	1,035	144	43.57	891	1,005
861	21,215	1,035	138	43.57	897	999
861	20,313	1,035	132	43.57	903	993
861	19,405	1,035	127	43.57	908	988
861	18,491	1,035	121	43.57	914	982

TABLE

D	Reduced by C	A	B	C	D=A-B	E=D+B
Depreciation Expense	Obligation under Capital Lease (Liability)	Monthly Payment	Interest Expense	Management Fee	Reduction to liability	Total Expense
861	17,571	1,035	115	43.57	920	976
861	16,646	1,035	110	43.57	925	971
861	15,715	1,035	104	43.57	931	965
861	14,778	1,035	98	43.57	937	959
861	13,835	1,035	92	43.57	943	953
861	12,887	1,035	86	43.57	949	947
861	11,932	1,035	80	43.57	955	941
861	10,972	1,035	75	43.57	961	936
861	10,005	1,035	69	43.57	967	930
861	9,033	1,035	62	43.57	973	923
861	8,054	1,035	56	43.57	979	917
861	7,069	1,035	50	43.57	985	911
861	6,078	1,035	44	43.57	991	905
861	5,081	1,035	38	43.57	997	899
861	4,078	1,035	32	43.57	1,003	893
861	3,068	1,035	25	43.57	1,010	886
861	2,053	1,035	19	43.57	1,016	880
861	1,030	1,035	13	43.57	1,022	874
861	2	1,035	6	43.57	1,029	867
51,661		62,101	10,439	2,658		62,101



TABLE

D	Reduced by C	A	B	C	D=A-B	E=D+B
Depreciation Expense	Obligation under Capital Lease (Liability)	Monthly Payment	Interest Expense	Management Fee	Reduction to liability	Total Expense

LED)	0.00
.ED)	861.02
	51,661.76
	1.24
	0.00
	0.00
	0.00
	51,663.00

RIES





TABLE

D	Reduced by C	A	B	C	D=A-B	E=D+B
Depreciation Expense	Obligation under Capital Lease (Liability)	Monthly Payment	Interest Expense	Management Fee	Reduction to liability	Total Expense
Bal Sheet	(51,663)					
<hr/>						
Asset						
Bal Sheet	-					
Bal Sheet	-					
<hr/>						
Bal Sheet	-					
Bal Sheet	-					
<hr/>						
Bal Sheet	-					
Bal Sheet	-					



TABLE

D	Reduced by C	A	B	C	D=A-B	E=D+B
Depreciation Expense	Obligation under Capital Lease (Liability)	Monthly Payment	Interest Expense	Management Fee	Reduction to liability	Total Expense

Inc. Stmt-Exp	0
Bal Sheet	0



Inc. Stmt-Exp.	323
Bal Sheet	712
Bal Sheet	(1,035)



TABLE

D	Reduced by C	A	B	C	D=A-B	E=D+B
Depreciation Expense	Obligation under Capital Lease (Liability)	Monthly Payment	Interest Expense	Management Fee	Reduction to liability	Total Expense

Inc. Stmt-Exp	861
Bal Sheet	(861)



Bal Sheet	2
Bal Sheet	(2)
Bal Sheet	(2)
Inc. Stmt.-Exp	2

Management Fee	Interest	Principal	Monthly Payment	Balance
43.57	245.11	746.33	1,035.01	50,916.67
43.57	241.57	749.87	1,035.01	50,166.80
43.57	238.01	753.43	1,035.01	49,413.38
43.57	234.44	757.00	1,035.01	48,656.37
43.57	230.85	760.59	1,035.01	47,895.78
43.57	227.24	764.20	1,035.01	47,131.58
43.57	223.61	767.83	1,035.01	46,363.75
43.57	219.97	771.47	1,035.01	45,592.28
43.57	216.31	775.13	1,035.01	44,817.15
43.57	212.63	778.81	1,035.01	44,038.35
43.57	208.94	782.50	1,035.01	43,255.84
43.57	205.22	786.22	1,035.01	42,469.63
43.57	201.49	789.95	1,035.01	41,679.68
43.57	197.75	793.69	1,035.01	40,885.99
43.57	193.98	797.46	1,035.01	40,088.53
43.57	190.20	801.24	1,035.01	39,287.29
43.57	186.40	805.04	1,035.01	38,482.24
43.57	182.58	808.86	1,035.01	37,673.38
43.57	178.74	812.70	1,035.01	36,860.68

Management Fee	Interest	Principal	Monthly Payment	Balance
43.57	174.88	816.56	1,035.01	36,044.12
43.57	171.01	820.43	1,035.01	35,223.69
43.57	167.12	824.32	1,035.01	34,399.37
43.57	163.21	828.23	1,035.01	33,571.13
43.57	159.28	832.16	1,035.01	32,738.97
43.57	155.33	836.11	1,035.01	31,902.86
43.57	151.36	840.08	1,035.01	31,062.78
43.57	147.38	844.06	1,035.01	30,218.71
43.57	143.37	848.07	1,035.01	29,370.65
43.57	139.35	852.09	1,035.01	28,518.55
43.57	135.30	856.14	1,035.01	27,662.42
43.57	131.24	860.20	1,035.01	26,802.22
43.57	127.16	864.28	1,035.01	25,937.94
43.57	123.06	868.38	1,035.01	25,069.56
43.57	118.94	872.50	1,035.01	24,197.06
43.57	114.80	876.64	1,035.01	23,320.42
43.57	110.64	880.80	1,035.01	22,439.63
43.57	106.46	884.98	1,035.01	21,554.65
43.57	102.26	889.18	1,035.01	20,665.47
43.57	98.05	893.39	1,035.01	19,772.08
43.57	93.81	897.63	1,035.01	18,874.45
43.57	89.55	901.89	1,035.01	17,972.56

Management Fee	Interest	Principal	Monthly Payment	Balance
43.57	85.27	906.17	1,035.01	17,066.39
43.57	80.97	910.47	1,035.01	16,155.92
43.57	76.65	914.79	1,035.01	15,241.13
43.57	72.31	919.13	1,035.01	14,322.00
43.57	67.95	923.49	1,035.01	13,398.51
43.57	63.57	927.87	1,035.01	12,470.64
43.57	59.17	932.27	1,035.01	11,538.36
43.57	54.74	936.70	1,035.01	10,601.67
43.57	50.30	941.14	1,035.01	9,660.52
43.57	45.83	945.61	1,035.01	8,714.92
43.57	41.35	950.09	1,035.01	7,764.83
43.57	36.84	954.60	1,035.01	6,810.23
43.57	32.31	959.13	1,035.01	5,851.10
43.57	27.76	963.68	1,035.01	4,887.42
43.57	23.19	968.25	1,035.01	3,919.16
43.57	18.59	972.85	1,035.01	2,946.32
43.57	13.98	977.46	1,035.01	1,968.86
43.57	9.34	982.10	1,035.01	986.76
43.57	4.68	986.76	1,035.01	(0.00)
2,614.20	7,823.40	51,663.00	62,100.60	

Management Fee	Interest	Principal	Monthly Payment	Balance
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Management Fee	Interest	Principal	Monthly Payment	Balance
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Management Fee	Interest	Principal	Monthly Payment	Balance
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Management Fee	Interest	Principal	Monthly Payment	Balance
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