UNT&E
USED&NEW TRACTORS AND EQUIPMENTS

Corporate HQ: 6779 Carlisle Pike, Mechanicsburg, PA 17050
Sales, Rental, Service: (765) 942-1514 • **Parts Hotline:** (415) 448-6583
Web: tractorsequip.com • 8 Pennsylvania Full-Service Branches

RENTAL PURCHASE OPTION (RPO) POLICY

COMMERCIAL RENTAL-TO-OWN TERMS & CREDIT CONVERSION SCHEDULE

1. LEASE DEFINITION: Used&New Tractors and Equipments LLC ("UNT&E" or "Lessor") engages in commercial equipment leasing to qualified customers ("Lessee"). This policy outlines the terms under which rental payments may be converted toward the ultimate purchase of the leased equipment.

2. TERM & COMMENCEMENT: The rental term begins when Equipment departs UNT&E's branch facility and continues until purchase execution or machine return in accordance with the UNT&E Master Rental Agreement.

3. RENTAL PURCHASE OPTION: Lessor retains sole and exclusive title to the Equipment during the entire lease period. A rental lease does not automatically convey ownership. Option exercise requires a formal written purchase agreement signed by both parties.

4. PURCHASE PRICE DETERMINATION: When Lessee exercises an RPO option, the total purchase price is calculated from the established Equipment Selling Price, plus agreed carrying charges, taxes, and applicable freight, less the allowed percentage of paid base rental charges as detailed below.

5. RENTAL CREDIT ACCRUAL SCHEDULE:

Rental Duration Tier	Rental Credit Applied to Purchase	Carrying Charges	Eligible Maintenance & Repair Deductions
Tier I: 0 to 90 Days	**100% of Paid Rental**	No carrying charges	Customer paid regular maintenance excluded
Tier II: 91 to 180 Days	**85% of Paid Rental**	Market-based carrying charges apply	Lessor-performed repairs included in total balance
Tier III: 181 to 365 Days	**70% of Paid Rental**	Market-based carrying charges apply	Lessor-performed repairs included in total balance
Tier IV: Over 365 Days	**70% of Paid Rental (capped at 12 mos)**	Cumulative carrying charges apply	Formal valuation appraisal conducted

6. EXCLUSIONS & PREREQUISITES: Rental credit is applied exclusively against the base rental rate. Delivery charges, fuel recovery, environmental fees, physical damage waiver charges, and taxes are strictly non-creditable. The Lessee account must remain current with zero past-due balances.

7. FINANCING OPTIONS: Conversion balances may be financed through John Deere Financial PowerPlan, commercial lease financing, or bank wire transfer.

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