



LEASING & FINANCING INFORMATION FOR **YOUR CAMPUS**



**FIRST AMERICAN
EDUCATION FINANCE
IS A FINANCIAL
SERVICES COMPANY
DEDICATED
EXCLUSIVELY TO
EDUCATION.**

Our business model is simple: build a team that dedicates their professional lives to serving the unique needs of education.

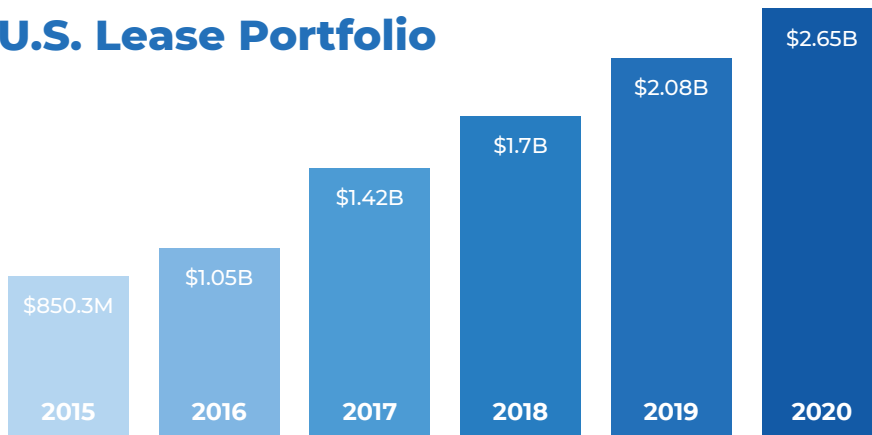
Strength & Stability Working for You

First American Equipment Finance is a subsidiary of City National Bank. In 2015, City National was acquired by RBC, one of the 25 largest banks in the world.¹ This structure allows us to offer competitive lease and finance solutions, while delivering unique value to our clients through industry specialization, knowledgeable teams, and leading-edge digital tools.

History

- 1994 | Founded
- 2010 | Created teams aligned to client industries
- 2012 | Acquired by City National Bank
- 2015 | City National Bank acquired by RBC
- 2020 | 10th consecutive year of record-breaking originations

U.S. Lease Portfolio



City National Bank (\$USD)		RBC (\$CAD)	
Q3/2021 ²		Q3/2021 ³	
Assets	\$87.3B	Assets	\$1.65T
Credit Rating	Moody's A2	Credit Rating	Moody's Aa2
For more information on our parent company, visit cnb.com		For more information on our ultimate parent company, visit rbc.com	

Learn more:
faef.com

¹ S&P Global Market Intelligence, "The World's 100 Largest Banks, 2021"

² City National Bank Financial Highlights as of 7/31/2021

³ RBC Financial Highlights as of 7/31/2021

WE ARE COMMITTED TO EVOLVING EDUCATION

For over 20 years, we have worked hard to develop a deep understanding of the greatest needs and challenges that schools are facing. That's how we are able to provide customized solutions to help more than 800 schools achieve their vision and deliver the best education possible to their students.



“
FIRST AMERICAN
HAS PROVIDED US
WITH EXCEPTIONAL
SERVICE ON
PROJECTS RANGING
FROM EQUIPMENT
TO MAJOR
CONSTRUCTION.

-University in the Northeast

TRANSFORM THE WAY YOU FINANCE PROJECTS

Technology plays a crucial role in every step of the client journey at First American. Discover a new experience with our virtual meeting capabilities, online pricing tools, e-signature technology, electronic invoicing, and FA | Experience—your project management hub.

Learn more:
faef.com/education

Overview

6 Key Programs

We know there are a lot of choices when it comes to financing equipment. First American offers multiple programs designed specifically for schools to achieve their sustainability goals, improve efficiency, pilot new technology and stay within their strict budget. Our full suite of programs includes custom financing to accommodate unique financial situations, allowing schools to get started on the most critical projects, immediately.

Campus Maintenance Program

Proactive approach to accelerate the ability to complete critical project today. Eliminate the risk of incurring higher costs in the future by addressing all projects under one financing facility.

Software Finance Program

Unsecured financing solutions to create predictable cash-flow during major system upgrades by enabling schools to amortize up-front implementation costs over 5-10 years at or below the school's cost of capital.

Smart Energy Program

A full suite of financial solutions to help accelerate investment in energy infrastructure by monetizing future utility savings from energy retrofit projects. The program allows for investment in a full range of technologies.

Athletic Equipment Program

Monetize future revenue through a flexible leasing schedule allowing schools to manage lengthy pledges and unpredictable cash flow by aligning the project scope to a specific revenue stream.

Technology Renewal Program

A comprehensive approach that aligns funding to technology useful life cycles of 1-5 years. Advance technology standards to reduce the risk of obsolescence and lower the total cost of ownership.

Esports Equipment Program

Preserve capital and obtain funds for gaming equipment and building improvements allowing you to implement an esports program immediately.

CAMPUS MAINTENANCE PROGRAM

A proactive approach to
accelerate the ability to
complete critical projects
today.

For schools looking to address their deferred maintenance backlog, this program has been used to help:

Accelerate Project Timelines

Eliminate the risk of incurring higher costs to fix key needs later by addressing all projects now under one financing facility.

Plan + Manage Budgets

Transform project costs into predictable fixed payments that align with budget requirements.

Finance All Costs

Finance hard and soft costs including implementation across multiple vendors.

As competition for new students and faculty grows, it's crucial for schools to invest in their campus infrastructure and increase operational efficiency. However, balancing tight budgets and a growing list of key projects is a significant challenge. In order to address this growing concern, schools are finding new strategies and proactive ways to fund these projects.

Case Study

Monetizing Utility Savings to Fund a Lab Upgrade

Private University in the
Northeast



PROJECT

Implementation of a new lab ventilation system.



CHALLENGE

The institute needed to upgrade the system with minimal cash flow implications.



SOLUTION

First American's solution aligned payments to utility savings to complete a project that otherwise would have been deferred.

SMART ENERGY PROGRAM

A full suite of
financial solutions
for energy
infrastructure needs.

We help schools achieve their sustainability goals and improve operational efficiencies by allowing them to:

Maximize Energy Savings

Align energy savings with a predictable payment schedule to create budget-neutral financing.

Benefit from a Direct Source of Capital

Reduce borrowing costs with one source of capital that can do construction period financing, debt financing and tax equity.

Incorporate Multiple Technologies

Have the freedom and flexibility to select the best vendors and technologies to accomplish campus goals.

Schools across the country are focused on building sustainable, more energy-efficient campuses that are prepared to address the challenges of the future. Many schools are putting energy initiatives and climate commitments at the heart of their campus master plans in order to accomplish their long-term sustainability goals.

Case Study

Implementing Energy Upgrades with Budget-Neutral Financing

Private University in the
Northeast



PROJECT

Implementation of a new co-generation central heating plant.



CHALLENGE

With a two-year implementation period and upfront costs for the plant, the university was looking for a solution with minimal cash flow implications.



SOLUTION

First American's solution aligned payments to energy savings resulting in no upfront costs. The university benefited from a predictable payment schedule and \$1.6MM in annual utility savings.

TECH RENEWAL PROGRAM

A comprehensive
approach that
aligns funding to
technology useful
life cycle goals.

We help schools achieve affordable technology upgrades with a consistent and predictable process allowing them to:

Plan + Manage Budgets

Take a more proactive approach by aligning the useful life and warranty of technology to budgetary goals.

Effectively Manage Risk

Advance technology standards to reduce the risk of obsolescence and lower the total cost of ownership.

Manage Resources

Learn more about which aspects of the technology renewal process could be outsourced to enable the IT team to focus on serving students, faculty and staff.

In order to stay competitive, schools must continue evolving IT services to meet students' growing expectations. With high pressure and limited resources, it is critical to establish a foundation to sustain core services that enable growth and access to the latest, most innovative technology.

Case Study

A Centralized Funding Approach for Technology

Large State Research
University in the Northeast



PROJECT

Developed a centralized technology renewal program.



CHALLENGE

The university needed a more comprehensive approach that would allow them to consolidate financing for technology orders across multiple vendors.



SOLUTION

First American worked with the finance and procurement staff to establish a Master Lease Agreement that would align their technology needs with one strategic financial provider. With the centralized program, the university reduced risk, saved money and increased efficiency.

SOFTWARE FINANCE PROGRAM

Unsecured financing
solutions to create
budget predictability
around software.

We help schools address budget constraints often associated with major software system upgrades by allowing them to:

Create Budget Consistency

Take unpredictable monthly costs and spread them out with a consistent payment schedule.

Accelerate Implementation Timelines

Get started immediately with implementation financing for multi-phase ERP installations.

Take Advantage of Prepaid Licensing Discounts

Save more on licensing costs by leveraging prepaid discounts commonly accepted by software companies.

Software systems pose a challenge for schools due to the large, upfront costs and constant maintenance required. Evaluating financing options can help address the short-term budget constraints caused by a long and costly implementation process, allowing software (i.e. ERP systems, licensing fees, etc.) to be an affordable investment.

Case Study

A Cost Effective Solution for an ERP Software Upgrade

Private University System in
the Northeast



PROJECT

Implementation of a new ERP software upgrade.



CHALLENGE

The university needed to budget for a new software upgrade while maintaining the existing system during the implementation phase.



SOLUTION

First American worked with the university to create a funding solution that addressed short-term budget constraints. The project cost including software modules, licensing and implementation, was financed in two phases over 54 months with interest-only payments made during the implementation phase.

ATHLETIC EQUIPMENT PROGRAM

Improve athletic
programs and
facilities through
flexible financing.

We help schools maximize their facilities, achieve affordable upgrades and energize their campus by allowing them to:

Plan + Manage Budgets

Optimize budgets by aligning resources and spreading payments out over a longer period of time.

Align Revenue + Expenses

Manage lengthy pledges and unpredictable cash flow by matching the project costs to a specific revenue stream.

Be Proactive on Equipment Maintenance

Reduce risk of obsolescence and lower total cost of ownership.

Many students are drawn to the physical amenities on campus such as student athletic centers. By taking a proactive approach, schools can ensure that their facilities are equipped to meet the needs of every student and are not in a constant state of repair.

Case Study

Converting Multi-Year Donations into Available Funding

A Liberal Arts University in the
Southwest



PROJECT



CHALLENGE



SOLUTION

Implementation of a new football program including a stadium and bleachers.

Although the university secured pledges for the football program, the donations would be received over a period of 5 to 7 years which presented cash flow implications.

First American developed a strategic funding model to align the university's future donations to pay for the stadium project. All payments were scheduled to coincide with the receipt of the pledge payments from donors, eliminating any impact on the university's working capital.

ESPORTS EQUIPMENT PROGRAM

**Preserve capital and
obtain equipment
to advance your
esports program.**

We help schools that want to advance their esports programs by allowing them to:

Avoid Large Implementation Costs

Align program investments to the esports program revenues and help manage the significant up front costs of the technology and arena equipment.

Finance All Costs

Finance hardware, software, arena renovation, furniture, and all soft costs for a new gaming arena including implementation across multiple vendors.

Maintain Predictive Technology Renewal

With rapidly changing technology and systems, create a proactive replacement plan to update gaming equipment.

In addition to their athletic facilities, many schools are implementing esports infrastructure into their arenas to provide new major and team sports opportunities for their students. Evaluating financing options can help schools obtain immediate funds for building improvements and gaming equipment to accelerate the implementation of esports programs today.

Commonly Leased Equipment

GAMING MONITORS

PORTABLE COMPUTERS

BUILDING IMPROVEMENTS AND RENOVATIONS

GAMING FURNITURE

KEYBOARDS, MICE + HEADPHONES

GAMING CONSOLES

SOFTWARE

CACHE SERVERS

CAPITAL REIMBURSEMENT

Equipment financing can increase short-term liquidity and help bridge unexpected budget shortfalls.

Considering your existing equipment as additional liquidity is a quick and easy way for schools to increase cash on hand. A capital reimbursement will replenish your cash for 100% of a completed project's costs, enabling you to remain nimble and reinvest in your business, rather than taking on new debt or disposing of assets to secure necessary cash.

APPLIES TO MOST ASSETS

Fixed assets and software purchases made over the last 12 months may be reimbursed 100% and repaid over 12-60 months.

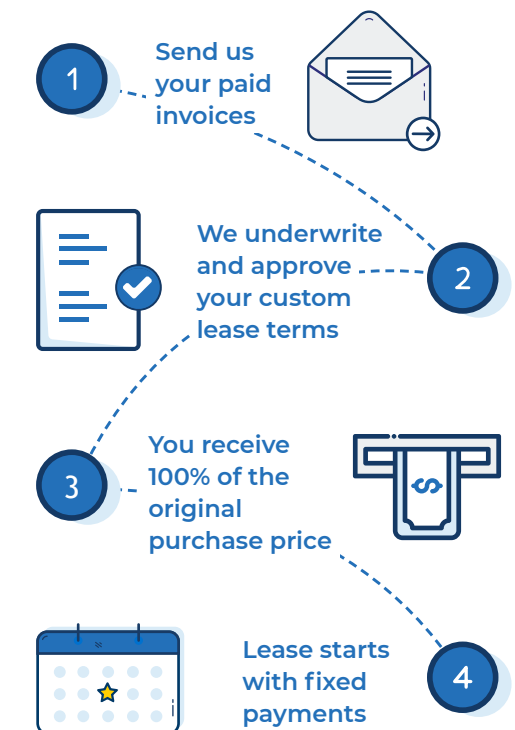
HISTORICALLY LOW RATES

Lock in fixed rate financing at historically low rates instead of liquidating reserve funds.

QUICK AND EASY TO USE

Financing is only secured by the underlying assets being leased, meaning no broad liens, covenants or other encumbering terms. Funding available within 7-10 days.

How it Works



Lock in Low Rates Now

Interest rates are at historical lows and financial market outlooks remain uncertain. Take advantage of fixed-rate financing with a rate lock to secure today's low rates for upcoming capital projects and protect your business from inevitable rate increases.

Now is the time to lock in rates to ensure the lowest cost of funds for your business. With impending rate increases, stay nimble by acquiring the equipment, technology, and facilities your business needs today.

Create Cost Savings

Low rates create cost savings for your business when acquiring new equipment. Use these savings to continue making investments in your organization's future.

Start Now, Save Later

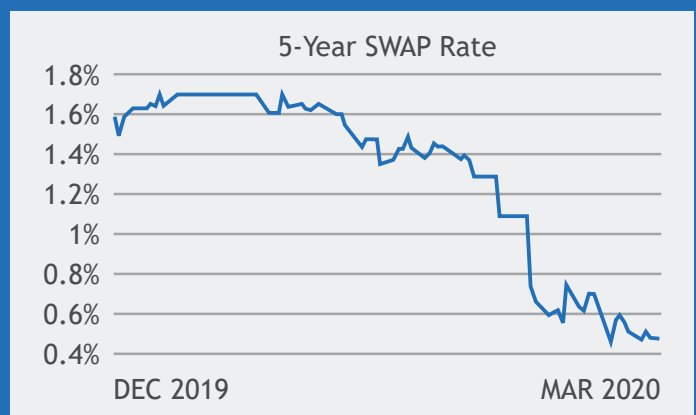
If you are planning any capital projects in the next 12 months, locking in today's rates will protect your business from future rate increases.

Gain Predictability

In today's uncertain environment, a predictable rate and monthly payment stabilizes your cash flow for the duration of your lease.

Minimize Interest Rate Risk

Rate locks provide an invaluable level of security when borrowing funds. The rate secured on the day you sign the Lease Proposal will be the rate you receive when your project is ready to fund.



Why Should Schools Consider Financing?

When evaluating various financing strategies, here are some key considerations to think about.

Centralized vs. Decentralized Control

- ✓ Improve process efficiency by gaining more control over leases and reduce overall cost by aligning all project financing under one master lease.
- ✓ Negotiate the terms and conditions up front to have more established program parameters, consistency and the conditions that fulfill project goals.

Eliminate Uncertainties

- ✓ Gain predictability in this unstable environment by securing a rate lock for critical campus projects with implementation periods as far as 12 months.
- ✓ Have the flexibility to select cutting-edge technology across multiple vendors.

Ensure Immediate Access to Capital

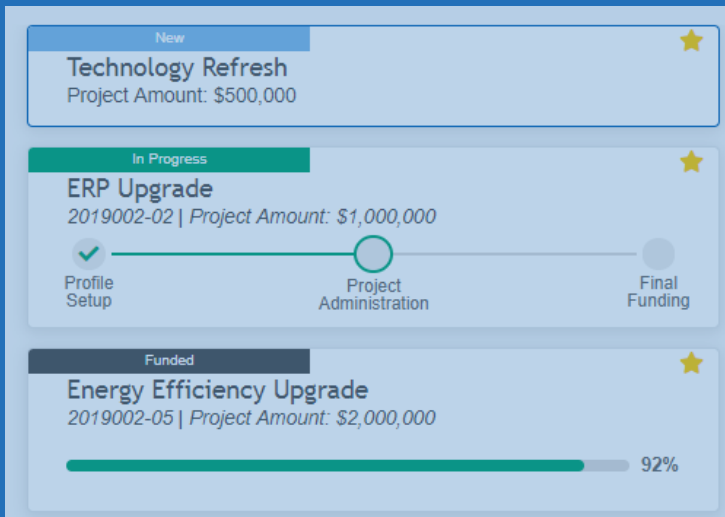
- ✓ Establish a pre-approved finance facility to make equipment acquisitions easier.
- ✓ Accelerate project completion with a lower cost of capital.



THE SMARTER WAY TO MANAGE YOUR FINANCING

Control All Aspects of Your Equipment Leases and Project Financing

Introducing FA | Experience, the new digital tool that will change the way you finance equipment. Greater access and visibility offer a faster way to complete your projects so you can spend less time managing your financing and more time focused on serving your school.



FA | EXPERIENCE

Managing your projects with First American just got a whole lot easier.

myfaex.com



Why FA | Experience?



Realtime Visibility

Monitor the status of your leases, review invoices and documentation, and see payments as they are released to vendors. Stay on track with your to-do list, giving each project the momentum to continually move forward.



Effortless Control

Start new projects, review and select pricing, upload and sign documents electronically, make end-of-lease decisions, and run detailed contract reports.



Advanced Security

Share information using seamless encryption, configure new users, and assign user permissions – all on our cloud-based, best-in-breed platform, built with your security in mind.



HELPING SCHOOLS MOVE FORWARD WITH CUSTOMIZED FINANCING SOLUTIONS



First American Commercial Bancorp, Inc. is a wholly-owned subsidiary of City National Bank. Deposit products and services are offered by City National Bank Member FDIC. City National Bank is a subsidiary of Royal Bank of Canada. All trademarks are property of the respective owners. Additional terms apply and can be found by visiting faef.com/terms.