

How To Talk About Progressive Leasing

When you communicate with customers or retail partners about Progressive Leasing, it is important to use the correct terms and phrases for transparency and clarity. In addition, certain language may not be compliant with regulations governing the lease to own industry. The examples below will help you properly communicate in a compliant, meaningful, and impactful way about Progressive Leasing's lease-to-own program.

Approved Language:



- No credit needed
- 90 day purchase option
- Lease/lease-purchase
- Lease multiple
- Cost of leasing/cost of rental
- Initial payment
- Early buyout
- Flexible payments/low payments
- Tax deferred

Prohibited Language:



- No credit check
- 90 days same as cash (except in CA, where we use "3 Months Same as Cash")
- Loan/finance
- Interest rate/interest
- Down payment/fee
- Payoff/repayment
- Payment plan
- Balance
- Due date
- Tax free

FAQ's:

Q: Does a lease application impact my FICO score?

A: Applying for a lease with Progressive Leasing should not impact your FICO score.

Q: Does Progressive Leasing pull a credit report?

A: Credit reports are obtained on almost all applicants, but Progressive Leasing looks at many data points in these reports other than scores. By doing so we are able to approve many customers with less than perfect credit or with a thin credit file or no credit file.

Q: What does it mean to have a thin credit file?

A: Credit files are established over time. Customers with a thin credit file have few (if any) credit accounts listed on their credit reports. If you have only recently applied for a credit account or you haven't used credit for a lengthy period of time, you may have a thin credit file.

Q: Does Progressive Leasing report my lease history to credit agencies?

A: Progressive Leasing does not currently report your lease history to credit agencies.

How To Talk About Progressive Leasing

Promoting Progressive Online:

Progressive should not be associated with finance or financing options. Where a retailer chooses to promote Progressive Leasing online, page titles and page links should be named **Purchase Options** or **Financing & Lease Options**. If the retailer will not make a change to the tab, then the retailer must disambiguate Progressive from other financing options on all pages where Progressive Leasing and alternate financing options appear together.

For example:



Financing Options

1. Interest free financing from Citi Bank
2. Secondary Offer from Dami

Lease Option

3. No Credit Needed by Progressive Leasing



Financing Options

1. Interest free financing from Citi Bank
2. Secondary Offer from Dami
3. No Credit Needed by Progressive Leasing

Disclosures and Assets:

Other than a prohibition of false or misleading advertising, there is little federal regulation of rent-to-own advertising; rather, disclosure requirements vary by state.

As the leader in the industry, Progressive Leasing is committed to being ethical and transparent in all of our interactions with both customers and retail partners. We want everyone involved to understand our program and feel informed. Correct language and disclosures provide better information and a clearer understanding of our lease-to-own program which leads to higher customer satisfaction.

Please ensure marketing disclosures appear every place they are required.

For more information on compliance or to download approved graphics and logos ready for use, please visit <https://progleasing.com/merchant/merchant-resources/>

Sales and Marketing Messages and Required Disclosures

Disclosure Placement:

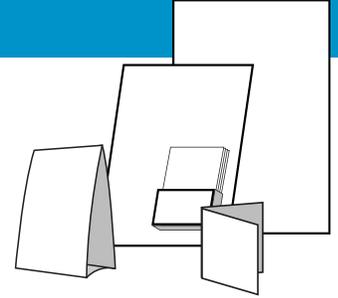
This reference summarizes the required disclosure language for common sales and marketing messages, regardless of where or how these Smessages appear.

Disclosure placement does not need to be dominant, but should be easily clearly visible and legible.

For example:



Sales and Marketing Messages and Required Disclosures



Disclosures:

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**NO
CREDIT
NEEDED**

NO CREDIT NEEDED

The advertised service is a rental- or lease-purchase agreement provided by Prog Leasing, LLC, or its affiliates. It is not a loan, credit or financing. While no credit history is required, Progressive obtains information from consumer reporting agencies in connection with lease application. Not available in MN, NJ, VT, WI. Merchant participating locations only. Not all applicants are approved. See lease for details.

**90-Day
Purchase
Option
(No CA)**

90-Day Purchase Option (No CA)

The advertised service is a rental- or lease-purchase agreement provided by Prog Leasing, LLC, or its affiliates. It is not a loan, credit or financing. While no credit history is required, Progressive obtains information from consumer reporting agencies in connection with lease application. 90-day purchase option includes a markup over invoice price. After 90 days, early buyout options vary by state. Not available in MN, NJ, VT, WI. Merchant participating locations only. Not all applicants are approved. See lease for details.

**90-Day
Purchase
Option
(Nationwide)**

90-Day Purchase Option (Nationwide)

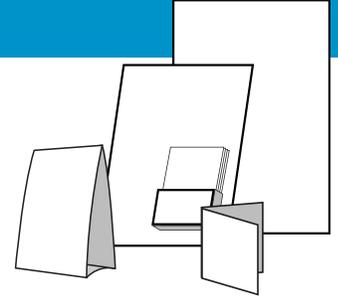
The advertised service is a rental- or lease-purchase agreement provided by Prog Leasing, LLC, or its affiliates. It is not a loan, credit or financing. While no credit history is required, Progressive obtains information from consumer reporting agencies in connection with lease application. 90-day purchase option includes a markup over invoice price (except for 3-month purchase option in CA). After 90 days, early buyout options vary by state. Not available in MN, NJ, VT, WI. Merchant participating locations only. Not all applicants are approved. See lease for details.

**3-Months
Same as
Cash
(CA Only)**

3-Months Same as Cash (CA Only)

The advertised service is a rental-purchase agreement provided by Prog Leasing, LLC, or its affiliates. It is not a loan, credit or financing. While no credit history is required, Progressive obtains information from consumer reporting agencies in connection with lease application. 3-month purchase option is available for the cash price. After the expiration of three months, an early buyout option is available. Merchant participating locations only. Not all applicants are approved. See lease for details.

Sales and Marketing Messages and Required Disclosures



Disclosures:

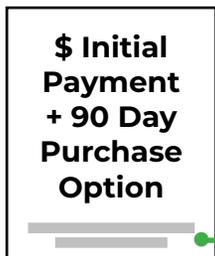
This reference summarizes the required disclosure language for common marketing messages, regardless of where or how these marketing messages appear.



Initial Payment Amount

The advertised service is a rental- or lease-purchase agreement (or in certain states, a rent-to-own agreement, a consumer rental-purchase agreement, or a lease agreement with an option to purchase) provided by Prog Leasing, LLC or its affiliates. While no credit history is required, Progressive obtains information from consumer reporting agencies in connection with lease application. The initial payment is \$49.* All remaining lease payments will be determined by the cash price of the leased item and the frequency of payments. You will not own the leased merchandise or acquire ownership rights unless you make 12 months of payments or exercise an early purchase option. Not available in MN, NJ, VT, WI. Merchant participating locations only. Not all applicants are approved or qualify for these terms. See lease for details.

**Initial payment amount may vary, but when using this disclosure the actual initial payment amount for that retailer or promotion must be accurate.*



Initial Payment Amount & 90-Day Purchase Option

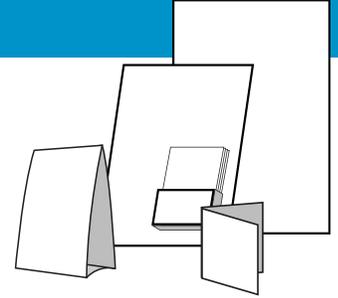
The advertised service is a rental- or lease-purchase agreement (or in certain states, a rent-to-own agreement; a consumer rental-purchase agreement; a lease agreement with an option to purchase; or a consumer-lease agreement) provided by Prog Leasing, LLC or its affiliates. While no credit history is required, Progressive obtains information from consumer reporting agencies in connection with lease application. The initial payment is \$49.* All remaining lease payments will be determined by the cash price of the leased item and the frequency of payments. You will not own the leased merchandise or acquire ownership rights unless you make 12 months of payments or exercise an early purchase option. 90-day purchase option includes a markup over invoice price (except for 3-month purchase option in CA). After 90 days, early buyout options vary by state. Not available in MN, NJ, VT, WI. Merchant participating locations only. Not all applicants are approved or qualify for these terms. See lease for details.

**Initial payment amount may vary, but when using this disclosure the actual initial payment amount for that retailer or promotion must be accurate.*

Sales and Marketing Messages and Required Disclosures

Disclosures:

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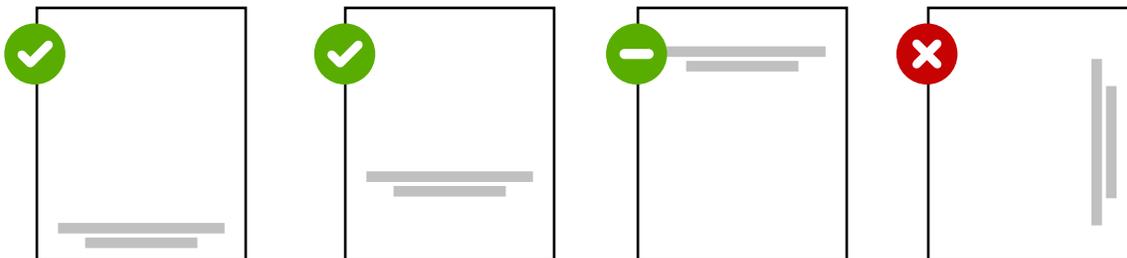
Payment Amount or Reference to a Specific Item

Payment Amount or Reference to a Specific Item

The advertised service is a rental- or lease-purchase agreement (or in certain states, a rent-to-own agreement; a consumer rental-purchase agreement; a lease agreement with an option to purchase; or a consumer-lease agreement) provided by Prog Leasing, LLC or its affiliates. While no credit history is required, Progressive obtains information from consumer reporting agencies in connection with lease application. The total cost of the Samsung Galaxy S8* with a \$699.99 retail value under a 12-month rental- or lease-purchase agreement is \$1,656.63, with an initial payment of \$49.99 plus 12 monthly payments of \$133.88 or 52 weekly payments of \$30.90. Payment will vary if a different payment frequency is chosen. The total cost of the lease or rent-to-own charge is \$957.63. You will not own the smartphone or acquire ownership rights unless you make all of those payments or prepay \$768.90 within 90 days or thereafter up to 65% of the future schedules payments. Other charges include a returned payment fee (\$27 in MI) or late fee. All quoted payments exclude sales tax. Lower pricing available in CT, HI, IA, MI, ME, NY, OH and PA. Merchant participating locations only. Not available in MN, NJ, VT, WI. Not all applicants are approved. See lease for details.

**The item and payment amounts vary, but must accurately reflect the highest amount a Progressive customer could pay.*

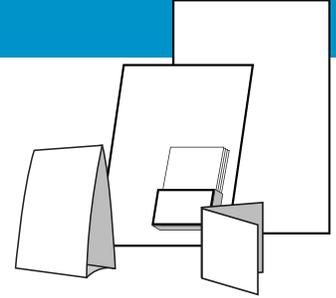
NOTE: Although not a strict requirement, disclosure statements will usually be placed within the bottom one-third of a given piece. Specific cases may arise where it may not be reasonable to do so. Always ensure the disclosure is easily identified as such and easy to read.



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In-Store Advertisements Referencing a Payment Amount or a Specific Item Trigger Hang Tags

In-Store Advertisements Referencing a Payment Amount or a Specific Item Trigger Hang Tags

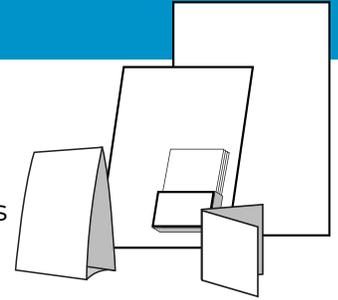
Any items affixed with a payment amount or a Progressive Leasing badge, such as Easy Leasing, will trigger a hang tag. If a hang tag is used, the font of the hang tag must be at least a 10 point, bold font.

<p>TOTAL OF PAYMENTS / TOTAL COST</p> <p>\$2,090.68</p> <p>You must pay this amount to own the property if you make all the regular payments (excludes sales tax). You can buy the property for less under the early purchase option.</p>	<p>COST OF RENTAL</p> <p>\$990.32</p> <p>Amount over cash price you will pay if you make all regular payments (excludes sales tax).</p>	<p>CASH PRICE</p> <p>\$1,100.36</p> <p>Property available at this price from the lessor. See about your early purchase option rights.</p>	
	<p>AMOUNT OF EACH PAYMENT</p> <p>\$160.83 at beginning of Lease, followed by \$160.83 every month, with the final payment being in the amount of \$160.72. Sales tax will be added to all payments.</p>	<p>NUMBER OF PAYMENTS</p> <p>13</p> <p>One payment at beginning of Lease followed by 12 more payments to acquire Property.</p>	<p>RENTAL PERIOD</p> <p>12 months (plus period to first recurring payment, which will be at least ten days after the Property delivery date). This represents the duration of the Lease if all regularly scheduled payments are made. There is no minimum period for which you are obligated under this Lease.</p>
<p>The rental property is NEW and is being acquired by the lessor on the Lease Date above.</p>			

Sales and Marketing Messages and Required Disclosures

General Guidelines:

- Progressive must review and approve all marketing materials. All materials must be received by Progressive at least 10 business days before print or send deadlines. Use of unapproved materials is prohibited.
- All disclosures must be legible to the consumer and easily accessible e.g., cannot hide on the back of marketing materials, only provide upon request, etc.
- All materials must have the approval number affixed to the advertisement, poster, email, etc. The approval number will be provided by Progressive Leasing and is generally displayed on the bottom corner.



Disclosure Fonts and Colors:

Choose a simple font for all disclosures. Do not use typefaces with excessive ornamentation or that are difficult to read. The color of the font should be in contrast to the background. Do not use any font smaller than 5 pt. Guidance for different sizes of marketing materials can be found below. These are general guidelines; specific applications may vary.

~8.5" x 11" or smaller (brochures, flyers, etc.)

Preferred font size is at least 6 pt.

~24" x 36" or smaller (posters, in-store signs, etc.)

Preferred font size is at least 9 pt.

Large format (banners, outdoor signs, etc.)

Preferred font size is at least 14 pt.