



FORD ESP INSTALLMENT PAYMENT PLAN

ADMINISTERED BY BUDCO FINANCIAL



**Convenient, Interest-Free Financing
for Ford Extended Service Plans**

**Fast, Easy, Flexible
It's the Smart Choice!**



Installment Payment Plan
ADMINISTERED BY BUDCO FINANCIAL



LINCOLN

Extended Service Plan

More than \$400 million in Ford ESP contracts financed!



F O R D I N S T A L L M E N T P A Y M E N T P L A N

A Ford ESP Financing Plan That Fits the Needs of Today's Customers and Dealers

Experience and Proven Success

No one understands customers better than you. Today's buyers expect you to make their experiences easy — from the initial purchase to the very last service visit.

Now, when you offer your customers a Ford Extended Service Plan (ESP), you can provide a simple, convenient and economical way to **finance their Ford ESP purchases.**

Welcome to the **Installment Payment Plan (IPP)**, the only alternative Ford ESP financing plan backed by Ford. IPP gives your dealership a high-quality, **no-interest financing plan** that minimizes and simplifies the administration of payment plans.

Customers have purchased **more than \$400 million in Ford ESP plans** using the powerful advantages of IPP.

Plus, Budco Financial has more than 17 years of experience with:

- **Cash management** (we will pay you up front and collect from the customer over 6, 12, 18 or 24 monthly installments)
- **Credit card transaction processing**
- **Monthly billing**

We fully manage IPP and bring all our Ford ESP expertise to the table to support your sales efforts.

IPP financing makes it easier for your customers to buy Ford ESP and helps you keep it simple, generating more sales, profits and customer satisfaction.



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Did You Know

- **Retail Installment e-Contract** – 66% utilization rate, reducing manual faxing, registration issues and improving Dealer remittance timing
- **Default Cancel Prevention Program** – Since 2010, more than 8,000 accounts have been “saved,” totaling more than \$10 million in retained Dealer revenues by avoiding cancellations and subsequent Dealer chargebacks
- **Dealer Concierge and Customer Service** – Our representatives focus on providing the highest level of service for your needs, as well as your customers’, including registration error resolution, default cancel intervention and program training

What’s New

We are excited to provide an overall new system driven by suggestions from Dealers across the country. This new system includes the following benefits to help you better service your customers:

- Ability to enter multiple Ford ESP contracts on one Retail Installment Contract, creating greater time savings and reduced dealership administration fees
- Web-based interactive Dealer and customer sites
- Enhanced dealership reporting
- Finance terms of 6, 12, 18 and 24 months, providing your customers with greater options
- Addition of American Express to the monthly credit card payment option (your customers can now pay monthly using Visa, MasterCard, Discover and American Express)
- Easy-to-use, self-paced, online web-based training. By giving you the ability to implement these new modules at a time convenient with your staff schedules, dealerships now have the tools to use in the most efficient and effective means to help sell more Ford ESP
- Coming Soon ... Continuously working to improve

our services to you, we look forward to introducing in the near future a single system of input for both Ford ESP and IPP Retail Installment Contracts

What’s New to IPP This Year?

A brand-new system with all-new interfaces for Dealers and customers. This new system provides Dealers with greater efficiencies in registering contracts, offers an improved process for monthly invoices and letters, including an option for electronic invoicing, and provides newly designed performance reporting to track and measure progress.

General IPP Guidelines

Coverage Term Eligibility

Customers can use IPP to buy all Ford ESP new or used plans with 12 or more months of coverage.*

Ford ESP Coverage Terms	Eligible IPP Financing Term
12 months	6 months (only)
24 months	6 or 12 months (only)
36 months	6, 12 or 18 months (only)
48 months or greater	6, 12, 18 or 24 months

*Excluding EtchCARE.

Installment Payment Plan Calculator now available on FMCDealer.com

Dealer Cost

Dealership administration fees will be based on the IPP finance term and the amount financed.

IPP Administrative Fees**

Amount Financed	Finance Term			
	6 Months	12 Months	18 Months	24 Months
Less than \$1,600	\$75	\$110	\$160	\$215
Less than \$2,000	\$110	\$135	\$195	\$255
Less than \$2,400	\$135	\$155	\$220	\$290
Less than \$2,800	\$150	\$165	\$235	\$320
\$2,800 or more	6%	7%	10%	14%

**IPP fees will be adjusted based on Budco Financial's borrowing rate.



Why IPP? Our “Win-Win” Approach

IPP Customer Advantages

- Interest-free payments
- No credit application
- No credit checks
- No waiting for credit approval
- As little as 10% down payment
- Choice of extended terms: 6, 12, 18 or 24 months
- **Choice of payment options:**
 - Direct debit to checking/savings account
 - Automatic monthly charge to buyer’s Visa, MasterCard, Discover or American Express
 - Monthly mailed statement
- Online payments

IPP Dealer Advantages and Benefits

- Provides dealerships with post vehicle-sale opportunities to sell additional Ford ESP
- Simple-to-use e-Contract
- Online training, forms and support at: **IPPforESP.com**
- Dealership payments are electronically processed through the Dealer Parts Statement via ARMIS
- * To participate, Dealers are required to complete and submit an IPP Participation Agreement. This agreement is available online at IPPforESP.com. Once complete, you may either email the form to fordesp@budcofinancial.com, or fax it to (888) 846-9136.
- Toll-free Dealer assistance line: **(888) 368-8462**
 - Personalized IPP Dealer Concierge Team
 - Proactive contract error-resolution support
 - Proactive customer contact strategy for accounts at risk of default and cancellation. Since 2010, this program has saved more than 8,000 contracts from default cancelling, avoiding more than \$10 million in chargebacks to Dealers
 - Processing and handling of customer balance-due collections and cancellation refunds

Target Audience for IPP

Considering the many opportunities to sell Ford ESP throughout the ownership cycle, IPP is most effectively used in these sales scenarios:

- Post vehicle sale
 - 1) Customers nearing the end of their vehicle warranty
 - 2) Customers visiting your service drive
 - 3) Dealership-initiated direct marketing campaigns
- Used vehicle customers
- Customers arranging their own financing
- Customers “capped” by the vehicle loan financing
- Customers who pay cash, but are attracted to same-as-cash, no-interest financing
- Customers who prefer not to include Ford ESP in their vehicle financing

Completing the Online Installment Payment Plan e-Contract

Budco Financial is pleased to offer e-Contract as the primary registration tool for processing the IPP Retail Installment Contract. This valuable tool helps you to complete the Budco Financial Retail Installment Contract quickly and easily using IPPforESP.com. Once completed, the form is electronically submitted removing the requirement to fax, email or mail the

RIC to Budco Financial. This process reduces registration errors that cause delays in contract activation and Dealer payment. More than 66% of all Retail Installment Contracts today are coming to Budco Financial through the e-Contract tool.

1. Selling Dealer information will auto-populate based on the P&A code used to log into the system
2. Enter the 17-digit VIN (the system will produce an error message if more/less than 17 digits are entered)
3. Enter the Current Odometer
4. The Vehicle make, model and year will auto-populate based on the VIN
5. Enter customer information as it reads on the Ford ESP Contract (complete name, street address, city, state, ZIP, phone number – we highly recommend you capture a work number and email address as well)
6. Enter the Cash price (not including tax, if applicable)
7. Enter Tax (if applicable)
8. Down payment will automatically populate with the 10% minimum down payment; however, if you have collected an amount greater than 10% you can override this default
9. Enter the ESP Coverage Terms. This field generates the eligible number of payments for the ESP Coverage Term selected
10. Select the Number of payments
11. If a second contract is being purchased on the same VIN, click the Add Contract button and repeat steps 6-10 for the second contract.

As long as the contracts are going on the same VIN, additional

contracts can be added to this form without the need to re-enter information already added for the purchase

The screenshot shows the 'ESP eContract - Form' interface. It features a navigation bar with links like 'Why IPP?', 'Training', 'Resources', 'Online Forms', 'Contact Us', 'Account Reports', and 'Admin'. The main form is divided into several sections:

- Selling Dealer (1):** Includes fields for Dealership code (P&A), Dealer name, Dealer City, State and Zip Code.
- Vehicle (2, 3, 4):** Includes fields for VIN, Current Odometer, and Vehicle make, model and year.
- Purchaser of Service Contract (5):** Includes fields for First name, Initial, Last name, Street address 1, Street address 2, City, State, Zip code, Home phone, Work phone (optional), and Email (optional).
- Financial Contracts (6, 7, 8, 9, 10, 11):** Includes fields for Cash price, Taxes on sale, Down payment, Paid on account, Total amount financed, ESP Coverage Terms, Number of payments, Amount of payments, and Payments are due.

A summary table at the bottom shows the following values:

Annual percentage	Finance charge	Amount financed	Total of payments	Total sale price
0%	\$0.00	0.00	0.00	0.00

An 'Add Contract' button is located at the bottom right of the form.

12. Choose Purchaser Payment Option:

- a. Monthly Direct Debit to a Checking/Savings Account: Enter the Bank name, Routing number, Account number, select the Account type and Preferred payment day. Note: An Authorization for Direct Payments form must be completed and submitted for this option
- b. Credit/Debit Card: Select the Card type and enter the Card number, Expiration date and Cardholder's name

13. Check the boxes for both Purchaser agrees to sign the agreement and Dealer agrees to sign the agreement, and enter the Dealer Representative's name

14. Click the Generate Signed Contract button (the next screen will provide a link to print copies of the contract(s) for the Dealer and customer)

Note: When entering the Ford ESP contract into ESPS, please remember to click the “Yes” button for Time Payment. You’ll find that on the first screen of the Contract Registration System in ESPS.



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INSTALLMENT PAYMENT PLAN from



Be Sure to Bookmark Our Website: **IPPforESP.com**

This is your one-stop, online reference for all IPP information,
training, downloadable program forms and more!

Budco Financial is ready to help you sell more Ford ESP plans. We'll make it
easier for your customers to finance their deals and keep it simple for your team.

Call us today!

Important Contact Numbers

Toll-Free Dealer Assistance Line
(888) 368-8462

Ford ESP Administration
(800) 521-4144

IPP Headquarters 24-Hour Fax
(888) 846-9136



L I N C O L N

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