



CFLA Annual Report 2004 – 2005

Working Smarter for Tomorrow

*“Partners in Productivity”
Enabling Canadians to Work Smarter*



Canadian Finance & Leasing Association
Association canadienne de financement et de location



CFLA Annual Report
2004-2005

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et de location

“Working Smarter for Tomorrow”
“Partners in Productivity –
Enabling Canadians to work smarter”



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"Partners in Productivity - Enabling Canadians to work smarter"

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“the rise in asset-based financing from 1992 to 2002 improved living standards in Canada by 2.3% (or about 8% of the 26.8% increase in Canada's living standards over that period).”

*“Asset-based financing, investment and economic growth in Canada”
an economic research study by The Centre for Spatial Economics, December 2004*

“This unique study overwhelmingly demonstrates the importance of asset-based financing to Canada's economic growth by supporting greater product financial choice and innovation. The industry contributes a disproportionate share to higher living standards.”

*Dr. Jack Mintz, President of the C.D. Howe Institute and Deloitte Professor of Taxation
at the Rotman School of Management, University of Toronto*

“The key to raising the standard of living of Canadians is to improve productivity. By facilitating the acquisition of productive assets by Canadian businesses and consumers, the asset-based financing and leasing industry is enabling Canadians to work smarter.”

Joe LaLeggia, Chairman, Canadian Finance & Leasing Association

Annual Report 2004-2005

"Working Smarter for Tomorrow"

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Chairman's Report – CFLA delivering value

The CFLA Staff Mission statement is prominently posted in its office: "Our focus is our members. Our goal is to please and positively surprise. Our job is to deliver value."

The growth in CFLA membership (from 61 members in 1993 to 235 today) demonstrates your association's effectiveness in delivering value.

CFLA has also grown with the industry: according to the federal Task Force on the Canadian Financial Services Sector, in 1997 the assets of the Canadian asset-based financing and leasing industry totaled \$50 billion; by 2004, in just seven years, total industry assets had increased over 100% to an estimated \$103¹ billion.

More members and a rising market penetration continue to raise the expectations that the industry has for its association.

CFLA's role

The essential CFLA role remains unchanged: political advocacy, information & education, and networking.

First and foremost, your association is the **political lobbyist** for the asset-based financing, equipment and vehicle leasing industry. **No one else is advocating your business interests.**

CFLA's positions are developed by a network of committees and special working groups. Over 150 individual member representatives volunteer their time and expertise to supporting the association's committee work. The goal remains to foster favourable laws to create a rewarding business environment for you.

The **CFLA Website** has become the industry's electronic information resource centre. Launched in the late 90s, it has become the primary gateway for communicating with members. **Approximately 2,000 individual industry contacts can now be found in our accessible database.** Currently, the site receives an average of **250 hits an hour, almost 6,000 a day.** (In its first year, the Website received 2,000 hits a month!).

Again this year, as part of CFLA's **professional training mandate**, several hundred member representatives have participated in the national interactive teleconference seminars presented by Associate Members of CFLA. These are **the only programs specifically developed for the asset-based financing and leasing industry.**

External strategic positioning

While the essential role remains unchanged, CFLA is evolving. We are working to respond to the challenges of growth.

As is presented in more detail in the President's Report, CFLA launched its first long-term positioning strategy based on our industry's extraordinary contribution to the national economy and to the living standards of Canadians.

¹ *Annual Survey of Asset-Based Financing & Leasing in Canada 2005*, prepared for CFLA by The Centre for Spatial Economics. The estimates of total assets under management as at December 31, 2004 are lower than previously reported due to a revision in methodology. This revision appropriately accounts for the impact of capital cost allowances principally on the value of equipment assets. The value of leased vehicles has also been revised to more appropriately account for shifts in the value of the average leased vehicle and the proportion of vehicles that are leased.

Called "*Partners in Productivity – Enabling Canadians to work smarter*," this initiative is designed to encapsulate the strengths of the asset-based financing and leasing industry as a critical economic player in Canada.

The key to raising the standard of living of Canadians is to improve productivity. *By facilitating the acquisition of productive assets by Canadian businesses and consumers, the asset-based financing and leasing industry is enabling Canadians to work smarter.*

This strategic initiative was backed by a ground-breaking study commissioned by CFLA and prepared by a respected, independent group of economists. For the very first time anywhere in the world, this study (entitled: *Asset-based financing, investment and economic growth in Canada*²), connects the dots from the financing CFLA members make available to business customers, to the positive impact of their investment in machinery, equipment and vehicles on productivity, and then to the resulting enhancement of living standards of all Canadians generated by the improved productivity.

CFLA has a positive story to tell on this subject but it is up to us to demonstrate what our industry is doing for the national economy. Once this contribution is made clear, a platform will be laid to press for legislative and regulatory changes to make it easier for the industry to achieve the full potential of its contribution.

Critical to this strategic positioning is the need to describe the true size and scope of our industry on a more frequent basis. **The value of this unique study underlines that our Association can further its cause significantly by improving the quality and timeliness of hard industry statistics.** We can learn a great deal from our US counterparts when it comes to the robust data available on the US leasing industry statistics and trends. **This may not seem like a difficult task for our industry but, alarmingly, it has been very difficult over the years to collect data from members. The reluctance or complacency that has been exhibited in the past has not helped to further our cause.**

Our membership needs to find a way to develop new ways of accumulating and publishing industry data on a timely and expansive basis. Members need to encourage their peers and colleagues to participate in these efforts and gain not only the public benefits but also the benefits of comparing their own companies to industry results and trends. This will hopefully become an area of focus in the coming year.

Internal re-evaluation

The other significant step this year in the evolution of your Association has been an in-depth evaluation of CFLA's internal administrative challenges. The CFLA of five years ago, its size and scope, is not the Association of today. Five years from now, CFLA will be different again. The significant growth in membership and their expectations has seen the Association's permanent professional staff rise from two people to five. What they do and how they do it has to evolve with the times.

Several years ago, your Board of Directors instructed CFLA management to develop a prudent reserve equivalent to one year of operating expenses. This goal is well on the way to being met. Now, the Board has mandated that the Association plan each year for a break-even budget plus a reasonable amount to continue providing value-added activities to its membership.

² "Asset-based financing, investment and economic growth in Canada" is available on the CFLA Website: http://www.cfla-acfl.ca/files/public/CFLA-Final_Economic_Report-PDF-Dec04.pdf

As the first step in this overall direction, CFLA management undertook an independent and comprehensive exercise to map all the Association's activities, matching needs with resources over the twelve-month calendar. The result will be a more efficient realignment of inside responsibilities and resources to better respond to the new realities. The next step will be more targeted budget envelopes for each major area of CFLA activity with a consequent allocation of direct revenue and expense responsibilities.

During all this period of change, it is important to remember that our success has been achieved with many volunteers but only four full-time staff. We are fortunate in the support we have received from CFLA President & CEO David Powell, Janet Tricker, CAE, CMP, the Director of Membership Services and Events, Janice Brown, Manager of Projects & Systems, and Administrative Assistant Caroline Castillo. When you have a chance, please take a moment to thank them for a job well done. Also please welcome Jason Vanderheyden, CFLA's new Director of Policy.

I want to thank our volunteers too. CFLA is very fortunate in having so many, from the most senior executives to industry newcomers, rolling up their sleeves and pitching in. The Board of Directors is composed of some of the industry's most successful leaders.

In closing, the surest measurement of delivering value is continuing member support. Your Association has demonstrated its effectiveness. I am confident that CFLA is well-positioned to continue to do so.

Joe LaLeggia



President's Report – Working Smarter for Tomorrow

In the coming Fall Parliamentary session, the focus of the House of Common Finance Committee pre-budget consultations centers on enhancing productivity in Canada as the route to growth and prosperity.

The Finance Committee cites the OECD³ *Economic Survey of Canada, 2004* concluding that "a key challenge for Canada is raising living standards" and then floats the notion that productivity may be the single most important factor influencing a national long-term growth potential.

It was in the 1998-1999 Annual Report that CFLA first started talking about the need for a national productivity agenda, how more and better equipment enhances productivity, with CFLA members as essential members of the Canadian "Productivity Partnership". We argued then that a strategy of improving the economic climate for machinery, equipment and vehicle investment would pay significant dividends in terms of stronger economic growth, higher productivity and better living standards for Canadians for many years to come.

Demographic trends are changing Canada's economic landscape

Canada is growing older. Today, 12.6% of Canadians are 65 or more; by 2025, it will be 20%. In 2001, the median age of Canadians was 37.6 years. Back in 1966, when the baby boom ended, it was 25.4 years.

With a smaller proportion of the overall population in the workforce, how can fewer people become more productive to compensate for a smaller working and taxpaying population?

Do we really have a choice? The essential options for government are limited: cut services, increase taxes or grow the economy. If cutting services and increasing taxes are unpalatable for governments, growing the economy is the positive solution.

CFLA's pre-budget submission to the Ontario Minister of Finance in February 2005⁴ recommended that the strategy for economic growth be founded on a highly-educated workforce, efficient public infrastructure and productive capital assets located in Canada. A highly-educated workforce is mobile, it will go where the jobs are. To keep the jobs here, Canada requires efficient infrastructure and capital assets in the country.

Productivity growth expands the well-being of our entire society

Leading Canadian economist, Dr. Jack Mintz, President of the C.D. Howe Institute and Deloitte Professor of Taxation at the University of Toronto, recently remarked,

...productivity is very important, and the big beneficiaries of high productivity are workers because, to the extent that businesses are buying new capital equipment and investing in new structures, they are adopting the latest technologies, and this is extremely important in order to generate higher incomes that workers can get.⁵

On January 28, 2005, the Ontario Institute for Competitiveness & Prosperity declared that:

"Canada's prosperity gap with the US widened from \$6,000 thousand per capita in 2002 to \$7,200 in 2003. This gap translates into an unrealized potential of \$15,000 after tax disposable income for the average Canadian family and \$90 billion in lost tax revenues for federal and provincial governments.

3 The Organisation for Economic Co-operation and Development (OECD) is an international economic research institute with 30 member countries, including Canada.

4 *Reinforcing the foundations for economic growth*, CFLA pre-budget submission to the Minister of Finance of Ontario, February 10, 2005

http://www.cfla-acfl.ca/files/public/CFLA-Taxation-Ont_Budget_CFLA_letter-Feb1005.pdf

5 Legislative Assembly of Ontario, First Session, 38th Parliament, Monday, January 26, 2004, Standing Committee on Finance and Economic Affairs ~ Pre-budget consultations

The Institute is confident that Canada can close the prosperity gap and realize its full economic potential. The key to this is higher productivity – the increased capability of Canadians to add more value to the country's physical, human, and capital resources. The report concludes that more investment is an important element in raising productivity. For businesses, it means making larger investments in machinery, equipment, and software; for governments, it means striking the right balance between spending on current consumption, such as health care and social services, and investing for future prosperity, such as infrastructure and education; for individuals, it means investing more in themselves, such as in higher educational achievement."⁶

Productivity growth is not an end in itself, rather a means to an end: the expanded well-being of our entire society.

In its Third Annual Report "*Realizing our prosperity potential*" released on November 24, 2004, the Ontario Task Force on Competitiveness, Productivity and Economic Progress stated:

"We under invest in machinery, equipment, and software. Every year our businesses fail to keep pace with their US counterparts by about 10 percent in their investment in machinery, equipment, and software as a percentage of GDP. This under investment means our workers are not supported by the most innovative processes, unlike their US counterparts. We estimate that this under investment costs Ontarians \$808 per capita in lost GDP.

... Our research indicates that the under investing is the result of de-motivating tax burdens and inadequate market and regulatory structures.

... Clearly, governments in Ontario need to find ways to reduce the tax burden, especially on capital investment."⁷

Roger Martin, Chairman of the Ontario Task Force on Competitiveness, Productivity and Economic Progress and Dean of the Rotman School of Management at the University of Toronto, added:

"We need to avoid a vicious downward economic spiral of under investment, reduced productivity, reduced capacity to invest, further reduced productivity, and the resultant restriction in our standard of living. Instead, we can create a virtuous circle by investing more and strengthening structures to increase productivity and prosperity."⁸

Canadian living standard gains rely primarily on labour productivity growth. The political challenge is to successfully communicate the message to the voting public that enhancing labour productivity is a positive step toward the future. Too many persist in seeing productivity enhancement as a code word for job loss or working more for less. The point of improved productivity is that people and companies produce more with less, thereby raising living standards.

As CFLA Chairman Joe LaLeggia notes in his report this year: "the key to raising the standard of living of Canadians is to improve productivity. *By facilitating the acquisition of productive assets by Canadian businesses and consumers, the asset-based financing and leasing industry is enabling Canadians to work smarter.*"

Working Smarter for Tomorrow

"**Working Smarter for Tomorrow**," the theme for the 2005 annual CFLA conference in Vancouver, builds on the strategic direction articulated last year positioning the members of CFLA as "**Partners in Productivity – Enabling Canadians to work smarter.**"

6 Institute for Competitiveness & Prosperity media release, January 28, 2005
<http://www.newswire.ca/en/releases/archive/January2005/28/c6786.html>

7 The Third Annual Report of the Ontario Task Force on Competitiveness, Productivity and Economic Progress, November 24, 2004, at pages 5-6 http://www.competeprosper.ca/task/ar2004_2.pdf

8 Institute for Competitiveness & Prosperity media release, January 28, 2005
<http://www.newswire.ca/en/releases/archive/January2005/28/c6786.html>

Over the last twelve months, CFLA invested in a groundbreaking economic study that is critical to demonstrating that the asset-based financing and leasing industry is a key economic player making Canadians more productive and competitive.

This first-of-its kind anywhere economic study "*Asset-based financing, investment and economic growth in Canada*"⁹ showed how CFLA Members raise the standard of living of all Canadians. An eye-opening finding:

"the rise in asset-based financing from 1992 to 2002 improved living standards in Canada by 2.3% (or about 8% of the 26.8% increase in Canada's living standards over that period)."

Today, with over \$103 Billion in assets (owned and managed), the asset-based financing and leasing industry is the largest provider of debt financing in Canada after the traditional lenders (banks and credit unions).

Two noted economists: Dr. Mintz and Jim Stanford, an economist with the Canadian Auto Workers Union, reviewed the study and supported its conclusions.

Dr. Mintz noted that "this unique study overwhelmingly demonstrates the importance of asset-based financing to Canada's economic growth by supporting greater product financial choice and innovation. The industry contributes a disproportionate share to higher living standards."

The study makes clear that government policy in Canada is not encouraging investment in machinery and equipment to the degree that is needed. Mr. Stanford has noted that "the weak investment spending of Canadian business will become an increasingly important concern in the next couple of years."

As Dr. Mintz also commented, "tax policy is critical to capital investment decisions. Several tax policy actions have good payoffs to the economy, including the elimination of provincial capital taxes, increased capital cost allowances for investments and the removal of provincial sales taxes on business capital spending."

With the next round of Finance Committee hearings concentrating on enhancing productivity growth in Canada, the door is opening to listen to our arguments.

Members are urged to let CFLA know their thoughts on how to improve federal and provincial government policies to make it easier for the asset-based financing and leasing industry to achieve the full potential of its contribution to the national economy and to the well-being of Canadians.

David Powell

You can find copies of key CFLA documents on the association's website:

Asset-based financing, investment and economic growth in Canada
http://www.cfla-acfl.ca/files/public/CFLA-Final_Economic_Report-PDF-Dec04.pdf

CFLA submission to the House of Commons Finance Committee, November 2004
<http://www.cfla-acfl.ca/files/members/CFLA-email-Letter-Nov2604.pdf>

CFLA submission to the Minister of Finance of Ontario, February 2005.
http://www.cfla-acfl.ca/files/members/CFLA-TaxatiOntario-Ontariot_Budget_CFLA_letter-Feb1005.pdf

⁹ Asset-based financing, investment and economic growth, The Centre for Spatial Economics, Milton, Ontario, December 15, 2004 http://www.cfla-acfl.ca/files/public/CFLA-Final_Economic_Report-PDF-Dec04.pdf

CFLA: Who we are...

Industry Profile

- The asset-based financing and leasing industry is the largest provider of debt financing in Canada after the traditional lenders (banks and credit unions).
- About 60% of the industry's customers are estimated to be SMEs.
- At December 31, 2004, the industry's portfolio of assets (owned and managed) was estimated to be worth \$103 Billion¹⁰. The value of assets financed by
 - equipment finance companies = \$48.4 billion
 - business vehicle fleet lessors = \$8.0 billion
 - consumer vehicle lessors = \$46.9 billion.
- According to Statistics Canada, business spending on machinery and equipment in 2005 is expected to rise to \$99.8 billion¹¹. Between 20% and 25% of annual new business investment in machinery, equipment and commercial vehicles is financed by this industry.
- On the vehicle financing side, over the last 5 years nearly 8 million new passenger and light trucks were sold in Canada¹² – over 40% were leased.
- In 1998, the federal (MacKay) Task Force on the Future of the Canadian Financial Services Sector reported that the assets of the asset-based financing and leasing industry in 1997 totalled \$50 billion¹³. By 2004, the assets of the asset-based financing and leasing industry had increased over 100% to \$103 billion¹⁴.

Asset-based Financing, Productivity and Economic Growth in Canada

*Asset-based financing, investment and economic growth in Canada*¹⁵, a recently published groundbreaking study prepared by The Centre for Spatial Economics, a respected, independent group of economists who are also retained by the federal Department of Finance, has found that:

*"the rise in asset-based financing from 1992 to 2002 improved living standards in Canada by 2.3% (or about 8% of the 26.8% increase in Canada's living standards over that period)."*¹⁶

This study presented the following key findings and policy implications.

10 *Annual Survey of Asset-Based Financing & Leasing in Canada 2005*, prepared for CFLA by The Centre for Spatial Economics. The estimates of total assets under management as at December 31, 2004 are lower than previously reported due to a revision in methodology. This revision appropriately accounts for the impact of capital cost allowances principally on the value of equipment assets. The value of leased vehicles has also been revised to more appropriately account for shifts in the value of the average leased vehicle and the proportion of vehicles that are leased.

11 *Private and Public Investment in Canada, Intentions 2005*, Statistics Canada (61-205-XIB), The Daily, February 23, 2005

12 *Desrosiers Automotive Reports Market Snapshot*, Desrosiers Automotive Consultants Inc., Richmond Hill, Ontario

13 *Report of the Task Force on the Future of the Canadian Financial Services Sector*, September 1998, at p. 43

14 *The Centre for Spatial Economics*

15 *Asset-based financing, investment and economic growth*, The Centre for Spatial Economics, Milton, Ontario, December 15, 2004

16 *Ibid.* page 62

Key findings

Investment drives productivity – economic research states that machinery and equipment investment directly contributes to labour productivity gains by increasing the amount of productive capital available for workers to use. Research also suggests that machinery and equipment investment is either directly the agent of technological change, or else an important facilitator in the diffusion of new technology.

Productivity raises living standards – in order to boost living standards either labour productivity needs to rise, or people need to work harder, or more people need to become employed, or more people of working age need to enter society relative to total population. Canadian living standard gains rely primarily on labour productivity growth.

Financial system development promotes investment – research conducted by the OECD supports the notion that financial system development promotes capital spending and that countries with weaker financial systems are unable to effectively channel domestic or global savings towards new investment opportunities.

Asset-based financing adds significantly to the financial system – the analysis in this report finds that asset-based financing was responsible for a 2.3% increase in Canada's living standards over the decade 1992 to 2002 (or about 8% of the total increase in Canada's living standards over that decade). Asset-based financing makes a significant positive contribution to increasing national living standards.

Policy Implications

Financial innovation – financial choice and innovation need to be encouraged in order to maintain a healthy and growing financial system. A dynamic financial system is one of the key factors in promoting investment, raising productivity and, therefore, improving our standard of living.

Tax policy – government policy in Canada does not encourage investment in machinery and equipment to the degree that the economic research suggests would be optimal. Therefore, a strategy of improving the economic climate for machinery and equipment investment should pay significant dividends in terms of stronger economic growth, higher productivity and living standards for Canadians for many years to come. This could be done in a horizontally equitable manner by encouraging all forms of investment spending because of the potential complementary nature of machinery and non-machinery investment in boosting economic growth and productivity.

What is Asset-based Financing?

Asset-based financing is the financing of equipment, vehicles and related assets by way of specific asset-based priority financing, that is, the financing of particular equipment and vehicles and related items or services, primarily by way of lease, but also by secured loan or conditional sales contract.

The specific assets financed secure the borrower's unconditional obligation to make payments over the term of the agreement. In this way, users of equipment and vehicles can use the value of the asset as security to finance its acquisition. This form of financing relies on cash-flow-based credit analysis. Because the financing company retains legal ownership of the asset until the lease end, it allows a business or person to qualify on generated cash flow rather than on a net worth lending formula basis as typically offered by traditional lenders.

The services of the leasing industry are complementary to traditional banking and other financial lending in providing incremental capital to increase the pool of available credit in Canada and provide a vital competitive alternative in the financial services sector.

Funding for this industry comes from commercial markets, notably from pension funds, insurance companies and banks. In addition, well-capitalized manufacturing and servicing companies with substantial earnings have decided to leverage their own equity base and core competencies rather than using third parties. This has led to many manufacturers establishing their own financing arms or partnering with those who manage it for them. Many CFLA members fall into this category.

Association Profile

The Canadian Finance & Leasing Association is the only organization advocating the interests of the asset-based financing, vehicle and equipment leasing industry in Canada. Through the Association, members are able to influence the shape of the industry's future within the competitive financial services sector.

The Association's 235 members are active in the asset-based financing, equipment and vehicle leasing industry. CFLA members range from large multinationals to national and smaller regional domestic companies, crossing the financial services spectrum from manufacturers' finance companies and independent leasing companies to banks, insurance companies, and suppliers to the industry. The customers of this industry are Canadian small, medium and large businesses as well as consumers.

The Association has four general priorities:

- **Industry advocacy** – to key publics: governments, the media, other associations in the financial services sector, and the general public;
- **Member information** – timely information to members alerting them of changes likely to impact their businesses;
- **Professional training** – seminars and workshops on the basics of asset-based financing and leasing and other industry specific topics for member employees; and
- **Networking** – providing a forum and creating opportunities for industry leaders to meet and talk business.

CFLA's **annual national conference** (held in the Fall) is the leading event of the CFLA calendar bringing together approximately 200 industry leaders.

CFLA publishes a voluntary **annual survey** of the asset-based financing, equipment and vehicle leasing business activity carried on by reporting members.

This year, as described in detail in the President's report, CFLA launched its first long-term positioning strategy based on our industry's extraordinary contribution to the national economy and to the living standards of Canadians.

Titled "**Partners in Productivity – Enabling Canadians to work smarter**," this initiative is designed to highlight the strengths of the asset-based financing and leasing industry as a critical economic player in Canada.

CFLA's website has become the industry's electronic information resource centre with a growing archive of information focused on the business of asset-based financing and leasing in Canada. The site provides a range of "**Member only**" **value added services**. Changes in government policy, new legislation and regulation, the latest court decisions, legal, accounting and tax commentaries by CFLA professional members are regularly e-mailed on a timely basis to Members located across the country. The delivery of timely information to members is further augmented by the quarterly CFLA **eNewsletter**.

Governance

CFLA is a federal non-profit corporation located in Toronto, Ontario. Established in September 1993 through the merger of the Canadian Automotive Leasing Association and the Equipment Lessors Association of Canada, the Association has grown from 61 members in 1993 to 235 today.

There are **three classes of membership**: Regular Members, Associate Members and Non-resident

Members. *Regular Members* are enterprises in the active business of asset-based financing and leasing. *Associate Members* are enterprises that provide services to the industry (such as law and accounting firms, funders, software developers, etc.). *Non-resident Members* are interested in the asset-based financing and leasing industry in Canada but are not resident in this country.

As at June 30, 2005, CFLA had 235 Members: 62% were Regular Members, 35% Associate Members and the remaining 3% were non-residents. Based on a simple head count, of the Regular Members: 50% were equipment lessors, 36% vehicle lessors and 14% were both equipment and vehicle lessors.

An elected **Board of Directors** nominated from the Association membership determines CFLA policies. The Board is composed of business leaders representing a cross-section of the industry in terms of market size, area of business and geographical location.

Much of the active work of the Association is conducted within the **seven Policy Committees** (Accounting, Automotive Finance Working Group, Fleet, Government Relations, Legal, Small-Ticket Funders and Taxation) and **three Administrative Committees** (Education & Program, Membership and Technology). There are also Steering Committees for Montreal and Vancouver.

In their relevant area of expertise, the committees are:

- CFLA's radar - being proactive - bringing forward intelligence, issues, challenges and opportunities affecting the industry;
- CFLA's sounding board - to react to issues and advise on policy options:
 - To exchange information, experience and expertise; and
 - To disseminate information relevant to the industry.

A full-time **professional staff** of five people manages the Association:

David Powell, President & Chief Executive Officer

Janet Tricker, CAE, CMP, Director, Membership Services & Events

Janice Brown, Manager, Projects & Systems

Caroline Castillo, Administrative Assistant

In late June, Jason Vanderheyden joined the Association as CFLA's new Director of Policy.

CFLA Vision

The Canadian Finance & Leasing Association will be a relevant association. It will be a united, high-profile and well-managed association.

The Canadian Finance & Leasing Association will:

- Create unity
- Build and retain membership
- Project a strong public image
- Influence government decision-making
- Provide educational services

CFLA Mission

The Canadian Finance & Leasing Association exists to ensure an environment in which our members can be profitable.

Code of Ethics

The Canadian Finance & Leasing Association represents equipment and vehicle leasing and asset-based finance companies in Canada. There are fundamental standards of practice, which should serve as guiding principles for all engaged in the business of leasing and asset-based financing.

At all times conduct our activities with integrity, dignity and professionalism and encourage such conduct by others in the leasing industry.

Maintain respect for keen competition and seek no unfair advantage by dishonest or unethical means.

At all times adhere to the specific terms of funding commitments, commission agreements and purchase orders.

Not knowingly make false or misleading statements or withhold information vital to an intelligent business decision concerning any aspect of a leasing transaction.

Disclose all relevant information as to the terms and conditions of the lease, which may effect the lessee's decision.

Treat in a fiduciary capacity all funds received from the lessee, which may be returned to the lessee.

Hold in strict confidence all financial information supplied by the lessee on a confidential basis.

Not make payments directly to an employee of a vendor or business source without that company's knowledge.

Code de déontologie

L'Association canadienne de financement et de location représente les intérêts des entreprises actives dans l'industrie du financement basé sur l'actif et du crédit-bail. Il existe des normes fondamentales de pratique qui devraient servir de principes directeurs à toute personne qui travaille dans ce secteur.

En tout temps, les activités doivent être exercées avec intégrité, dignité et professionnalisme et on doit encourager le même comportement des autres personnes actives dans ce secteur.

Il faut respecter la concurrence vigoureuse et ne pas chercher à obtenir un avantage indu par des moyens malhonnêtes ou immoraux.

On doit se conformer en tout temps aux modalités précises des engagements de financement, des ententes de commission et des bons de commande.

Il ne faut pas sciemment faire une déclaration fautive ou trompeuse ni de retenir des renseignements essentiels à une décision d'affaires éclairée qui touché un aspect d'une transaction.

En ce qui concerne les modalités et les conditions d'un contrat, on doit divulguer au locataire/crédit-preneur tous les renseignements pertinents qui pourraient influencer sur sa décision.

Toute somme reçue d'un locataire/un crédit-preneur qui lui serait potentiellement remboursable devra être détenue en qualité de fiduciaire.

Il faut garder sous le sceau du secret tout renseignement financier que fourni à ce titre.

On ne doit pas faire de paiements directement à un employé d'un vendeur ou d'une source d'affaires sans que cette entreprise ne le sache.

The 2004-2005 Year

Canadian Market Overview

INTRODUCTION

2004, relative to the first few years of this decade, was quite uneventful. The US dollar continued its slide against most other currencies, including the Canadian dollar. This environment proved to be highly beneficial to the leasing industry as renewed investment growth led to a surge in new business activity for equipment lessors in Canada.

Over the next two years (2005-2006), the outlook for the leasing industry on a growth basis is expected to remain positive. The main factors in the outlook concern the fate of the US dollar and the impact of Canadian and US interest rate policies on business investment decisions in Canada.

The rapid consolidation within the industry appears complete – for now. Legislative issues and continuing restructuring among the larger participants in the industry continue to be relevant.

Prepared for CFLA by *The Centre for Spatial Economics*, this article provides a review of recent trends along with the outlook for and highlights of major directions in the leasing sector.

REVIEW OF RECENT TRENDS

In the wake of SARS, BSE (Mad Cow Disease) and the global decline in the value of the US dollar, the Canadian economy grew by 2.9% in 2004. The effect of the appreciation of the Canadian dollar is taking time to work its way through the economy and has offset some of the benefits that a small trading nation would normally enjoy from the rapid growth of its largest trading partner. As a result, the Canadian economy is expected to grow 2.3% in 2005 – significantly slower than the 3.7% rate of growth expected in the US.

The economy in 2004 was led by business investment in machinery and equipment, residential investment, government and household spending, and by both exports and imports. Like the previous year, the exception again was the automotive sector. Consumer spending on motor vehicles and parts slid, in inflation adjusted terms, by 1% as the number of vehicles sold fell 3% to 1.57 million units. After several years of declines or slow growth, business investment in machinery and equipment rose in both nominal dollars, 6.1%, and in inflation adjusted terms by 9.8%. While both exports and imports rose, the gain in imports far exceeded that of exports and slowed overall economic growth.

Following the slump at the start of this decade, lessors reported a second year of rising demand for financing in 2004. As spending on capital equipment rose 6% or \$5.3 billion in 2004 to \$93.4 billion, equipment lessors new business shot up 19% or \$3.5 billion to an estimated \$21.8 billion.

ECONOMIC AND CAPITAL INVESTMENT OUTLOOK

The appreciation of the Canadian dollar over the last couple of years has slowed economic growth in Canada: slowing exports and encouraging imports. Despite this, Canada's economic prospects are good. The US economy is expected to grow at a rapid 3.7% in both 2005 and 2006, helping Canada grow 2.3% this year and 2.8% in 2006.

At present, monetary policy is very supportive of growth, with the overnight rate well below a neutral setting. The Bank of Canada has used every opportunity to signal that it intends to start raising interest rates again in the autumn. While the Canadian dollar is likely to appreciate significantly over the next few years, the immediate future is less clear. The timing and magnitude of US Federal Reserve rate hikes may exert some downward pressure on the Canadian dollar over the next year.

The Statistics Canada survey of public and private investment intentions for 2005¹⁷ indicates solid gains from last year. Capital spending on new machinery and equipment is expected to rise 6.9% or \$6.4 billion to \$99.8 billion this year. At long last, businesses are starting to invest again – although not at the double digit growth rates that might be expected given the strength of their financial position and the low cost of credit. However, since business investment often lags profits or cash flow by about a year, there is hope that investment spending will continue to rise for some time despite gradually higher interest rates.

This survey indicates that demand for new equipment is expected to be strong across a number of sectors: mining, utilities, manufacturing, wholesale trade, transportation and warehousing, finance and insurance, and public administration. This spending will improve the productivity of these sectors and help offset some of the loss of competitive position from the higher Canadian dollar. However, not all sectors are expected to improve. Spending in 2005 is expected to be slower in a broad range of business service industries and the accommodation and food service industry as these sectors retrench after relatively strong spending in 2004.

A recent report¹⁸ noted that the appreciation of the Canadian dollar has forced some sectors of the economy – particularly those that depend on export markets - to invest more heavily in machinery and equipment to raise their productivity. In particular, they noted that productivity in the manufacturing sector has seen a cumulative increase of nearly 11 per cent since 2001. New equipment has allowed manufacturers to boost their real output by an average annualized rate of about 2% while at the same time reducing factory hours by 1.3%.

The leasing cycle is coincident with the equipment expenditure cycle. The outlook for leasing over the coming 18 months remains, barring further negative economic events, very positive.

In 2004, non-consumer finance assets of equipment and commercial vehicles rose 9% to an estimated¹⁹ \$56.4 billion. New business volumes shot up 19% as businesses capitalized on their strong financial position and the low cost of financing. As a result, the market share of the total industry is estimated to have climbed to nearly 26% (plus or minus 3%) in 2004. And using this estimate, the new equipment leasing volume in 2004 would be about \$21.7 billion – a new high for the industry.

In the 1990s, the focus of a number of lessors in the industry, particularly new entrants, was on growth and market share expansion. The slowdown over the first half of this decade prompted most lessors to adopt a more cautious approach to new business. Despite solid growth in new business, survey respondents provide limited indication of a shift towards more expansionary market practices.

Evidence of a more expansionary trend to new business acquisition can manifest itself in various ways. Although equipment lessors predominantly rely on vendors for new business, they had been raising the proportion of direct sourced business over the last few years in order to more carefully monitor credit. This trend ended in 2004. The reported proportion of new business from existing clients rose sharply in 2004. This was likely the result of existing clients taking advantage of strong cash flow and low interest rates to update their equipment. Although the proportion of business from new clients fell in 2004, the total value of business from new clients rose.

Another indication of a more expansionary environment is the percentage of new business applications that a lessor will accept. Equipment lessor's acceptance rates averaged 66% in 2004 - unchanged from 2003 - and ranged from a low of 30% up to 93%. These rates are, however, still below the 70% and over rates reported in the late 1990s.

17 2005 Private and public investment intentions, The Daily, Statistics Canada, February 23, 2005 <http://www.statcan.ca/Daily/English/050223/d050223a.htm>

18 Gomez, C. (2005). "Who's to Blame for Canada's Productivity Woes?" TD Economics Topic Paper, June 15, 2005 http://www.td.com/economics/topic/cg0605_prod.pdf

19 Based on a survey of member companies of the Canadian Finance and Leasing Association.

Evidence of a continued focus on sound management practices can be found in several key financial ratios. Equipment lessors revenue grew 10% in 2004, slightly faster than finance assets indicating that the return on assets for this sector was relatively stable last year. Reported net receivables over 90 days and net write-offs both declined in 2004 as revenues soared, indicating that most companies portfolios are performing well.

CONSUMER FINANCE PERSPECTIVES

In 2004, total consumer finance assets (predominantly vehicles) rose almost 14% to an estimated²⁰ \$46.9 billion. New business volumes surged one-third to about \$18.4 billion. The major automotive manufacturer finance companies were the primary beneficiaries as the car companies once again allowed the factoring of manufacturer incentives into the retail leasing contract. Although leasing had been viewed as a risky product because of uncertainty around residual values, this concern receded last year and led to a resurgence in the popularity of the leasing product both among customers and manufacturers.

EMERGING TRENDS

The leasing market in Canada is mature – leasing is an accepted financial alternative for equipment and vehicle purchases. This maturity is also reflected in the current industry structure which has since the early 1990s seen a great deal of consolidation. With the current improvement in the leasing environment, smaller niche or boutique players have grown although larger companies remain at a significant advantage.

The larger companies are able to achieve economies of scale and service broad segments of the industry. This drive towards scale economies has been witnessed throughout the financial sector in Canada. The push to allow banks to merge in Canada has intensified in the last few months. In the interim, they have continued to expand their operations in the US market. The leasing industry is also characterized by large companies operating throughout North America. These large, well capitalized lessors have good access to funding while the small, niche participants are either regionally based or focused on a particular sector. Mid-sized companies have almost disappeared as a result of this consolidation.

With large players controlling more of the leasing market, there has been a shift toward a more disciplined approach to leasing. The last leasing cycle has made this back-to-basics approach all the more important. With the maturing of the industry, there is little evidence of a return to the free wheeling practices of the 1990s. There are now more parallels between leasing as a financial instrument and other debt instruments. As a result, leasing credit policies and procedures are increasingly similar to those in place for traditional lending.

The improvement in the investment climate is a significant development for the industry. Capital spending is expected to remain healthy for the next couple of years buoyed by strong corporate profits and economic growth of 2-3% a year. Interest rates in Canada will start to rise soon, but less dramatically than in the US.

Prepared for CFLA by The Centre for Spatial Economics

²⁰ Based on a survey of member companies of the Canadian Finance and Leasing Association.

Association Highlights

Addressing the political issues that impact the industry is CFLA's primary role. While many continue over a series of years, there are particular issue milestones and accomplishments that merit being reported to members.

In the last twelve months, a number of such issues arose – a critical turning point on auto and truck vicarious liability in Ontario, the once every five year review of federal bankruptcy and insolvency legislation, the long-awaited introduction of consumer cost of credit disclosure legislation in five provinces, preparation for the potential national impact on the industry of the computer leasing inquiries in Toronto – all required unprecedented professional support and advice from many members.

Below the highlights from the 2004-2005 year.

Asset-based financing, investment and economic growth in Canada. Concerns about Canada's productivity and competitiveness, especially in comparison with the United States, its principal trading partner, are moving toward the centre of the political arena. Over the last twelve months, CFLA invested in an innovative economic research study that is critical to a longer term, proactive strategy positioning the asset-based financing and leasing industry as a key economic player to making Canadians more productive and competitive.

This groundbreaking economic research study "*Asset-based financing, investment and economic growth in Canada*"²¹ demonstrated how this industry raises the standard of living of all Canadians. One significant finding:

"the rise in asset-based financing from 1992 to 2002 improved living standards in Canada by 2.3% (or about 8% of the 26.8% increase in Canada's living standards over that period)."

The substantial and unique financing provided by this industry plays a critical role in improving national productivity. By facilitating the acquisition of productive assets, the asset-based financing and leasing industry is enabling Canadians to work smarter. CFLA members provide a flexible and timely means for businesses to respond to the productivity and competitive challenges of technological obsolescence and product innovation.

This study was submitted to Ontario's Minister of Finance as part of a detailed pre-budget submission in the Spring. Titled "**Reinforcing the foundations for economic growth**",²² CFLA argued that economic growth will be based on enhancing productivity, which will in turn raise living standards for everyone and increase government revenues. CFLA recommended that a primary way to cope with the combined challenges of enhancing productivity and a rising dollar is for business to become more competitive through increased investment in capital equipment. In that context, provincial capital taxes are a disincentive to investment in capital equipment.

As noted in the President's Report, in the coming autumn Parliamentary session, the House of Commons Finance Committee will focus its pre-budget consultations on enhancing productivity as the route to national growth and prosperity.

Vehicle lessor vicarious liability. CFLA has continued to aggressively pursue its national project to eliminate the liability of lessors for injuries caused by the drivers of leased and rented vehicles. The laws are particularly onerous in Ontario and Alberta which impose general legal responsibility on the owner of a

21 *Asset-based financing, investment and economic growth*, The Centre for Spatial Economics, Milton, Ontario, December 15, 2004. http://www.cfla-acfl.ca/CFLA-Final_Economic_Report-PDF-Dec04.pdf.

22 *Reinforcing the foundations for economic growth*, CFLA pre-budget submission to the Minister of Finance of Ontario, February 10, 2005
http://www.cfla-acfl.ca/files/public/CFLA-Taxation-Ont_Budget_CFLA_letter-Feb1005.pdf

vehicle for its negligent use. According to member reports, in Ontario alone they are faced with lawsuits claiming in excess of \$1 billion.

A major catalyst for action emerged in November 2004, when a personal injury claim was settled in Ontario against a major lessor for \$12.9 million. CFLA is leading an industry coalition of car and truck lessors and rental companies to convince the Ontario government to change the offending provisions of law. There is reason for optimism that the government will act during the autumn session 2005.

For an up-to-date status report on developments on this issue, please consult the CFLA Website.

National harmonization of the rules of the cost of consumer credit. As reported in previous years, for over a decade CFLA has been following the federal-provincial government process ostensibly to harmonize the rules across Canada on the disclosure of the cost of credit to consumers. The last twelve months or so have seen either draft legislation and regulations or legislative review introduced in at least seven provinces. CFLA has monitored the proposed changes, consulted with members and submitted detailed briefs communicating industry views.

Unfortunately, from an industry standpoint, the process has failed in at least one of its principal stated goals. Governments appear incapable of developing truly common standards. As a consequence, lessors offering consumer financing will continue to be confronted by such a diversity of rules that different contract forms and systems will remain required for most provinces.

This inability of governments to effectively collaborate on common standards within Canada will inevitably limit the interest of most in the industry to expanding financing offerings to consumers.

Federal review of bankruptcy and insolvency law. Every five years, the federal government plans to conduct a review of the *Bankruptcy and Insolvency Act*, the *Companies' Creditors Arrangements Act* and related legislation. In the last 18 months, CFLA had submitted major briefs to the government that focused on the unfair treatment of depreciating assets during customer restructuring and liquidations, including the suspension of lease payments during the restructuring periods and the proposed elimination of reaffirmation agreements. CFLA provided detailed possible legislative solutions.

This multi-year process culminated this year with the introduction of Bill C-55 and a number of the proposed provisions that may well impact CFLA members, including allowing customers to repudiate leases in certain circumstances; creating a priority for unpaid pension contributions over all assets in a bankruptcy or receivership; and allowing courts to compel critical suppliers to continue to supply. The precarious nature of the minority government seems to have dictated certain of these policy directions.

With continued member input, CFLA will make further vigorous submissions to Parliamentary committees studying the legislation in the fall.

International collaboration on lease accounting standards. Having followed the evolution in international discussions on possible changes to lease accounting standards for almost a decade, the impacts are beginning to be felt in Canada. In this past year, the Canadian Accounting Standards Board (CAcSB) released its discussion paper on its next seven-year strategy. The Canadian accounting regulators are essentially recommending that Canadian GAAP (in recent years closely aligned to US GAAP) be replaced by International Financial Reporting Standards (IFRS) as fixed by the International Accounting Standards Board (IASB). The CAcSB proposes that its mandate be changed to concentrate on providing research support for the IASB. CFLA submitted its views on the subject to the CAcSB.

CFLA continues to chair regular conference call meetings of representatives of national equipment and vehicle leasing associations in the United States, the United Kingdom, Europe, Australia and Japan, to discuss the issues for the leasing industry arising from possible changes in accounting standards.

Enhancing the CFLA Website: the industry's electronic resource centre. The first CFLA Website was launched in 2001. Since then, it has become a two-way gateway: for communicating with members and for members accessing timely industry information. **Approximately 2,000 individual industry contacts** can now be found in our accessible database. New information from the latest court decisions to economic data to member news are posted several times each week. Currently, the site receives an average of **250 hits an hour, almost 6,000 a day.**

This year, the Website was re-designed to give it a new updated look and to enhance its functionality, including the addition of an internal-Google style search engine, allowing rapid searches of our four year archived database. A number of the irritants identified by members such as the frequency of logging-in have been addressed. There are now two parts to the site: a public site and a Members' only section. Ninety percent of the information is posted on the popular *Members' Only Website*, the only one-stop source of business information devoted to asset-based financing and leasing in Canada.

Check out the re-designed CFLA Website: www.cfla-acfl.ca

Welcome Jason Vanderheyden, CFLA's new Director of Policy

Jason came to CFLA in late June from the office of the Deputy Leader of Ontario's Official Opposition where he was responsible for managing policy issues, communications and legislative advice. Prior to his service in opposition, he was Senior Advisor, Issues Management and Communications, to the Deputy Premier of Ontario and Minister of Education.

Delivering professional training & education to the membership

Thanks to the Associate Members of CFLA, members are provided with high quality professional development seminars and core interest workshops specific to the asset-based financing and leasing industry.

Initially these programs were delivered in Toronto, Montreal and Vancouver. In an effort to reach more of the membership and for the convenience of the participants, CFLA moved to a teleconference format so that members can learn from their offices. These sessions are completely interactive – participants are able to ask questions at any time during the presentation. In many instances, the Associate Members have had specialists in their Toronto, Montreal and Vancouver offices assist with the presentation. All seminar materials are sent to the registrants by e-mail or fax prior to the session.

The sessions are recorded so that members unable to participate at the time of the seminar have an opportunity to hear the presentation through the "Instant Replay." Again, presentation materials are sent to the participants prior to hearing the Instant Replay. Members are also able to order CDs following the presentation.

The sessions are well attended and member feedback continues to be positive. This year's programs were delivered at a more advanced level rather than just focusing on the basic ABCs.

Professional Development Seminars offered in the 2004-2005 fiscal year:

- PPSA ~ Understanding the Fundamentals of Registration (*Gowling Lafleur Henderson LLP*)
- Legal Principles for Leasing (*Blake, Cassels & Graydon LLP*)
- Legal Remedies & Recourse for Lessors (*Blake, Cassels & Graydon LLP*)
- Keeping up with your personal liabilities as a corporate director and officer (*Hunter Keilty Muntz & Beatty Limited & Chaitons LLP*)
- Accounting & Tax for Leasing (*KPMG LLP*)

- Advanced Issues in Lease Documentation (*Chaitons LLP*)
- Income Tax and Sales Tax ~ Interaction and Differences in Leasing and Financing (*PricewaterhouseCoopers LLP*)

Industry Information Workshops

CFLA organizes workshops on core interest issues as they arise. The following information workshops were presented in Toronto this year:

- What's New in Tax, Law & Accounting for Lessors and Funders? (*Blake, Cassels & Graydon LLP, Deloitte & Touche LLP, KPMG LLP, Millar Kreklewetz LLP*)
- Ontario: New Consumer Protection Laws in force July 30, 2005 (*Blake, Cassels & Graydon LLP & Miller Thomson LLP*)

Annual Meeting

CFLA's 31st Annual General Meeting of Members took place in Gatineau, Quebec, September 30, 2004.

Annual conference

The CFLA 2004 Conference, "*Partners in Productivity ~ Partenaires en productivité*," was held from September 29 to October 1, in Gatineau, Quebec.

Vince Poscente, Olympian, peak performance business strategist and author, delivered the conference keynote address: "*The 5C Strategy for Success – The process to performance continuum*." He took the audience through an innovative method to compete in today's marketplace by helping them **Ignite** their vision and **Execute** their strategy to **Eclipse** their competition. He followed up his keynote presentation with a workshop "*Ignite, Focus, Eclipse*."

Dr. Lloyd Atkinson, an independent economic and financial consultant, provided an economic update during the luncheon on Thursday, September 30.

There were workshops on personal liabilities as a director and officer, private bulk lease financing, vendor programs in a cross-border environment, fraud prevention - equipment and vehicle, an update on tax, law and accounting issues, and technology supporting your business strategy and emerging technologies.

For conference details, visit:

http://www.cfla-cfl.ca/files/public/CFLA_Annual_Conference_2004.pdf

Conference presentations are posted at:

<http://www.cfla-acfl.ca/members/whatsnew.asp?s=66>

Golf tournaments

CFLA hosted another successful Annual Golf Tournament in Toronto at RattleSnake Point Golf Club in Milton, Ontario on May 18, 2005. Approximately 250 golfers participated and there were another 12 guests for lunch.

Committees

Three half-day meetings were held by the CFLA Board of Directors: September 29, 2004, February 1, and May 19, 2005.

The Automotive Finance Working Group held four half-day meetings: September 14, and December 7, 2004 and March 1, and June 21, 2005.

The Fleet Committee held three half-day meetings: November 24, 2004, March 2 and June 15, 2005.

The Education & Program Committee held four half-day meetings: November 18, 2004, February 10, March 23, and April 14, 2005.

The Small Ticket Funders Committee held four half-day meetings: October 5, 2004, January 11, April 5 and June 7, 2005.

The Taxation Committee held three half-day meetings: November 19, 2004, February 10 and May 6, 2005.

Special Working Groups

The International Lease Accounting Standards/Technical Working Group and Revenue Recognition held two international conference call meetings chaired by CFLA: November 12, 2004 and June 3, 2005.

The 407-ETR Working Group held two half-day meetings: September 16 and December 9, 2004.

Membership

CFLA experienced another successful year in terms of membership growth. The membership count as at June 30, 2005 was 235. This year the Association welcomed the following 40 new members:

Accurate Leasing	Garfinkle, Biderman
Asset Inc.	HSBC Bank of Canada
Auto One	Leasecor Equipment Finance Inc.
Bank West	Lease Link Canada Corp.
BCG Business Capital Group Inc.	Leggat National Leasing
Bennett Jones LLP	National City Commercial Capital Corp.
Blaney McMurtry LLP	Proficom Financial Corporation
Canadian Securities Registration Systems	RVI Group
Capital Connect Inc.	Repair Industry Finance Corporation
Classic Capital Inc.	Route One Canada
Commercial Funding Group Inc.	Sawka Group of Companies
Contemporary Leasing Ltd.	Securefact Corporation
Creditwave	Sovereign Leasing Corporation
Cyence International	Technology Investment Partners
Driving Force	Textron Financial Canada Limited
DSM Leasing Ltd.	Transwest Financial Services Corp.
ePlus Company	Tricor Lease & Finance Corporation
First Mutual Leasing Company	Universal Leasing, a division of UL Capital Corp.
Fraser Milner Casgrain LLP	VantageOne Capital Inc.
Fuller Landau LLP	Wilsand National Leasing

CFLA Member of the Year

CFLA is very fortunate in having so many, from the most senior executives to industry newcomers, rolling up their sleeves and pitching in. There are over 150 talented people who serve on CFLA Committees and working groups. The contribution of so many members volunteering their time and ideas in support of their industry ensures that the Association makes a difference.

The Member of the Year Award recognizes individuals, volunteers from members, who work quietly for the Association, committed to its goals. Through their generous efforts, CFLA is able to address the challenges confronting the entire asset-based financing and leasing industry.

This year, the honoree is **Peter Freill**, a Managing Partner of **Securcor Financial Group of Companies**. He is an active member of the Membership Committee and will become the Chair of this committee in the coming year.

The Membership Committee's present mandate is to support and build the CFLA membership base and to plan and implement membership drives and programs to strengthen and develop the current membership base. This mandate is being expanded to include identifying new opportunities for other revenue activities such as events and sponsorships. CFLA constantly looks for ways to keep membership fee increases to a minimum while continuing to meet and exceed the growing expectations of the membership. Growing the membership base and sponsorship are two key components of this challenge.

Over the years, Peter has made a significant contribution to the Association by recruiting new members and securing a substantial amount of sponsorships. Always a strong supporter of the Association, Peter is persistent in promoting the benefits of membership and emphasizing the need to support the Association. Through this dedication, CFLA grows stronger and every member benefits.



Peter Freill

Securcor Financial Group of Companies

Previous Honorees

- 2003-04 Mark Robinson (DaimlerChrysler Services Canada Inc.)
- 2002-03 Diane Sekula (CIT Financial) and Bob Westlake (GE Capital)
- 2001-02 David Chaiton (Chaitons, LLP), Tom Hopkirk* (HKMB Capital Solutions) and Raja Singh (Pitney Bowes Global Credit Services)
- 2000-01 Brian Stevens (MFP Financial Services)
- 1996-97 Serge Mâsse (Crédit-Bail Findeq)
- 1995-96 Tom Simmons (Commcorp Financial Services)
- 1994-95 Greg Korsos (Sako Leasing Inc.)
- 1993-94 Tom Hopkirk* (Barclays Bank of Canada Leasing Division)

*Tom Hopkirk has been named Member of the Year twice: in 1993-94 and 2001-02.

Sponsorships

During the 2004-2005 year, CFLA received sponsorships for the Annual Conference and the Toronto golf tournament.

CFLA gratefully acknowledges the generous support of the following companies:

2004 Annual Conference

Sept. 29 - October 1, 2004

Hilton Lac Leamy, Gatineau, Quebec

Sun Life Financial
 ABN AMRO Leasing
 APAK Systems
 Chaitons LLP
 Equirex Leasing Corp.
 Fasken Martineau DuMoulin LLP
 financialLinx Corporation
 GE Fleet Services
 Miller Thomson LLP
 National City Commercial Capital Corp.
 P&D Technologies
 Borden Ladner Gervais LLP
 Canadian Black Book
 Collateral Recovery & Administration
 Jim Pattison Lease
 PHH Arval
 ARI Financial Services Inc.
 Blake, Cassels & Graydon LLP
 Swandel & Associates
 VFC Inc.
 Goodman & Carr LLP
 Manheim's Toronto Auto Auction
 Northstar Leasing Corporation
 MTC Leasing Inc.

Toronto Golf Tournament

May 18, 2005

RattleSnake Point Golf Club, Milton, Ontario

Sun Life Financial
 Chaitons LLP
 ARI Financial Services Inc.
 ADESA Canada
 Aird & Berlis LLP
 Aureus Financial Corp.
 Banc of America Leasing (Canada)
 CIT Equipment Financing
 GE Fleet Services
 Goodman & Carr LLP
 Irwin Commercial Finance
 KPMG LLP
 Manheim's Toronto Auto Auction
 Marchand Melançon Forget
 Mercado Capital Corporation
 PHH Arval
 PricewaterhouseCoopers LLP
 Stonebridge Financial Corporation
 Swandel & Associates
 Transwest Financial Services
 Blake, Cassels & Graydon LLP
 Capmor Financial Services
 Gowling Laflellur Henderson LLP
 MCAP Leasing
 Torys LLP

Governance

CFLA Chairmen

2004-	Joe LaLeggia (Irwin Commercial Finance, Vancouver)
2001-2004	Mike Goddard (PHH Arval, Mississauga)
1999-2001	Nick Logan (National Leasing Group, Winnipeg)
1997 -1999	Tom Simmons (Newcourt Credit Group, Burlington)
1995-1997	Tim Hammill (AT&T Capital Canada Inc., Willowdale)
1994-1995	Peter Kidd (AT&T Capital Fleet Services, Mississauga)
1993-1994	Hugo Sørensen (Triathlon Leasing, Toronto)

Board of Directors 2004-2005

<p>Gerry Barg President & CEO <i>OAC Leasing</i> Kitchener, Ontario</p> <p>Eugene Basolini President & CEO <i>MCAP Leasing</i> Burlington, Ontario</p> <p>Fred Booth* President <i>ARI Financial Services Inc.</i> Mississauga, Ontario</p> <p>Michael Burke Partner <i>Blake, Cassels & Graydon LLP</i> Toronto, Ontario</p> <p>David Chaiton Managing Partner <i>Chaitons LLP</i> Toronto, Ontario</p> <p>Mike Collins* Managing Partner <i>Curomax Corporation</i> Mississauga, Ontario</p> <p>Moe Danis Vice-President, Lease Financing Investment <i>Sun Life Assurance Company of Canada</i> Waterloo, Ontario</p> <p>Janice Dowding President & CEO <i>De Lage Landen Financial Services Canada Inc.</i> Oakville, Ontario</p> <p>Mike Goddard** Senior Vice-President & General Manager <i>PHH Arval</i> Mississauga, Ontario</p> <p>Luc Grenon Vice President <i>IBM Global Financing - Canada</i> Markham, Ontario</p>	<p>Rod Hamilton Chairman <i>Software Capital Corp.</i> Vancouver, British Columbia</p> <p>Leo Hawkes Canadian Vice-President <i>VFS Canada Inc.</i> Aurora, Ontario</p> <p>John Hawkrigg Managing Partner <i>Hunter Keilty Muntz & Beatty Limited</i> Toronto, Ontario</p> <p>Andy Hunt President <i>GE Fleet Services</i> Mississauga, Ontario</p> <p>Steve Klein Country Business Head <i>CitiCapital Commercial Corporation</i> Toronto, Ontario</p> <p>Joseph LaLeggia* President <i>Irwin Commercial Finance</i> Vancouver, British Columbia</p> <p>Nick Logan** President, CEO <i>National Leasing</i> Winnipeg, Manitoba</p> <p>Serge Mâsse* Président et Directeur général <i>FinTaxi, sec/lp</i> Ville d'Anjou, Québec</p> <p>Robert McAllister President & CEO <i>Capmor Financial Services</i> Oakville, Ontario</p> <p>Peter McDonald Managing Director <i>Liftcapital Corporation</i> Toronto, Ontario</p> <p>Patrick Palerme Président et Directeur général <i>GE Canada financement d'équipement</i> Montréal, Québec</p>	<p>Dave Ralph Managing Director <i>Wells Fargo Equipment Finance Company</i> Toronto, Ontario</p> <p>Ron Rubinoff President <i>Lease-Win Automotive Group Inc.</i> Downsview, Ontario</p> <p>Alain Savard Président et Directeur général <i>Corporation Alter Moneta</i> Longueuil, Québec</p> <p>Pat Scarpone President <i>CIT Equipment Finance Canada</i> Burlington, Ontario</p> <p>David Sharpless Chairman HKMB Capital Solutions Toronto, Ontario</p> <p>Tom Simmons** Vice President <i>Jim Pattison Lease</i> Scarborough, Ontario</p> <p>Peter Sinuita* President & CEO <i>Ford Credit Canada Ltd.</i> Oakville, Ontario</p> <p>Michael Stewart Partner <i>KPMG LLP</i> Toronto, Ontario</p> <p>Brian Warner President <i>ADESA Canada</i> Mississauga, Ontario</p> <p>Sandy Boa, <i>CitiCapital Canada</i>, Lee Cooper, <i>GE Canada</i> <i>financement d'équipement</i>, and Tim Rider, <i>Royal Bank Financial Group</i> resigned from the Board during the 2004-2005 year.</p>
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* Member of the Executive Committee ** Former Chairman

"Partners in Productivity - Enabling Canadians to work smarter"

Executive Committee & Officers



Chairman

Joe LaLeggia
President & CEO
Irwin Commercial Finance
Vancouver, British Columbia



President & CEO

David Powell
Canadian Finance & Leasing Association
Toronto, Ontario



Vice Chairman

Fred Booth
President
ARI Financial Services Inc.
Mississauga, Ontario



Vice Chairman

Serge Mâsse
Président et Directeur general
Fin Taxi, sec/lp
Ville d'Anjou, Québec



Secretary-Treasurer

Michael Collins
Managing Partner
Curomax Corporation
Mississauga, Ontario



Member

Peter Sinuita
President & CEO
Ford Credit Canada Ltd.
Oakville, Ontario

CFLA STAFF



David Powell
President & CEO



Janet Tricker, CAE, CMP
Director, Membership Services
& Events



Jason Vanderheyden
Director of Policy



Caroline Castillo
Administrative Assistant



Janice Brown
Manager, Projects & Systems

Committees

ACCOUNTING COMMITTEE

Objectives

- To provide useful and timely information on accounting matters of interest to the asset-based financing, equipment and vehicle leasing industry.
- To provide information and support on issues within the area of interest and expertise of the asset-based financing and leasing industry when requested by the Accounting Standards Committee of the Canadian Institute of Chartered Accountants.
- To provide technical support to the Board, Executive and Committees of CFLA as requested.

Chair

Ralph Selby, FCA

Consultant

Toronto, Ontario

Members

Michel Bouvier

GE Capital Canada d'équipement,
Montréal, Québec

Bill Edwards

Ford Motor Company Canada
Oakville, Ontario

Ivan Juric

PHH Arval
Mississauga, Ontario

Raja Singh

Bodkin Leasing Corporation
Mississauga, Ontario

Les Storozuk

National Leasing
Winnipeg, Manitoba

Eric de Witte

VFC Inc.
Toronto, Ontario

AUTOMOTIVE FINANCE WORKING GROUP

A joint working group with the Canadian Vehicle Manufacturers Association (CVMA) and the Association of International Automobile Manufacturers of Canada (AIAMC).

David Adams

*Association of International Automobile
Manufacturers of Canada
Toronto, Ontario*

Richard Adams

*DaimlerChrysler Services
Mississauga, Ontario*

Peter R Andrew

*GMAC Canada Limited
Toronto, Ontario*

Larry Baldesarra

*Toyota Credit Canada Inc
Markham, Ontario*

Miriam Christie

*General Motors of Canada Ltd
Oakville, Ontario*

Maria D'Alimonte

*Ford Credit Canada Inc
Oshawa, Ontario*

Agnes Di Leonardi

*Ford Credit Canada Ltd
Oakville, Ontario*

George Ellinidis

*Toyota Credit Canada Inc
Markham, Ontario*

Jean-Marc Le Leclerc

*Honda Canada Finance Inc
Scarborough, Ontario*

Paul D. MacDonald

*Association of International Automobile
Manufacturers of Canada
Toronto, Ontario*

Wende Rapson

*GMAC Canada Limited
Toronto, Ontario*

Paula Rietta

*Ford Credit Canada Ltd
Oakville, Ontario*

Faye Roberts

*General Motors of Canada Ltd
Oshawa, Ontario*

Mark Robinson

*DaimlerChrysler Services Canada
Mississauga, Ontario*

Jeff Vandamme

*BMW Group Financial Services
Whitby, Ontario*

Matthew Wilson

*Canadian Vehicle Manufacturers' Association
Toronto, Ontario*

Tom Wilson

*Nissan Canada Finance Inc
Mississauga, Ontario*

EDUCATION & PROGRAM COMMITTEE

Objectives

- To serve as a forum for advice and ideas for CFLA on education seminars, workshops and the Annual General Meeting and Conference.

Chair

Richard McAuliffe

Key Equipment Finance Canada Ltd.
Burlington, Ontario

Members

John Barraclough

Maxium Financial Services Inc.
Richmond Hill, Ontario

Gary Batchelor

CIT Financial Ltd.
Burlington, Ontario

Alan Bird

Curomax Corporation
Mississauga, Ontario

Mike Clarke

GE Vendor Financial Services
Mississauga, Ontario

Tom Hopkirk

HKMB Capital Solutions Corp.
Toronto, Ontario

Loraine McIntosh

Deloitte & Touche LLP
Toronto, Ontario

Doug McKenzie

Banc of America Leasing (Canada)
Toronto, Ontario

Alan Morgan

LeaseFund International Inc.
Oakville, Ontario

Bill Patton

Bodkin Leasing Corporation
Mississauga, Ontario

GOVERNMENT RELATIONS COMMITTEE

Objectives

- To provide CFLA with public policy advice and recommended contacts.
- To monitor the political environment and identify key issues affecting the industry.
- To advise and assist in the creation of submissions and strategies to address the issues.

Members

Jeff Graham

Borden Ladner Gervais LLP
Toronto, Ontario

Tom Simmons

Jim Pattison Lease
Scarborough, Ontario

Robert Weese

GE Canada Inc.
Mississauga, Ontario

FLEET COMMITTEE

Objectives

- To establish strong working relationships with all motor vehicle manufacturers to maintain an ongoing dialogue on issues related to legislation, fleet policies, allocations and overall relations with franchised dealers.
- To communicate effectively with all members on matters of interest and respond to all members' inquiries on any aspect of their business.
- To participate in industry discussions regarding plain language lease agreements, cost of credit disclosure, open-end leases, Federal deduction limits for vehicle leases, and issues being raised as part of Federal financial services sector reform.
- To recommend to the Board of Directors, policies and strategies that have evolved from the work of the Committee.

Chair

Roy Gaysek

ARI Financial Services Inc.
Mississauga, Ontario

Members

Bill Barlett

Jim Peplinski's Leasemaster National
Toronto, Ontario

Howard Cobham

financiaLinx Corporation
Toronto, Ontario

Ted Davis

Curomax Corporation
Mississauga, Ontario

Mark Emin

Landmark Vehicle Leasing
Markham, Ontario

Terry Green

Hav-A-Kar Leasing Ltd.
Toronto, Ontario

Jim Halliday

PHH Arval
Mississauga, Ontario

Brian Hay

Wilsand National Leasing
Richmond Hill, Ontario

Alex Johnston

HSBC Bank
Toronto, Ontario

Dean Juliano

GE Fleet Services
Mississauga, Ontario

Dennis Kuysten

TransportAction Lease Systems Inc.
Rexdale, Ontario

Bruce Lindsay

PHH Arval
Mississauga, Ontario

Robert Loucks

Addison Leasing
Toronto, Ontario

Doug Moore

Somerville National Leasing & Rentals Ltd.
Toronto, Ontario

Ron Rubinoff

Lease-Win Automotive Group
Downsview, Ontario

Stuart Sherman

Morrison Acceptance Corporation
Don Mills, Ontario

Mike Sieger

Nisco National Leasing
Burlington, Ontario

Tom Simmons

Jim Pattison Lease
Scarborough, Ontario

Benjamin Skuy

ADESA Canada
Mississauga, Ontario

LEGAL COMMITTEE

Objectives

- Education and information – to provide useful and timely information on legal matters of interest to the asset-based financing, equipment and vehicle leasing industry.
- Advice and consultation – to serve as a resource available to work with other CFLA Committees and to respond to legal issues which are regarded by members as significant to the industry.

Members

TORONTO

Andy Ayotte
Aird & Berlis LLP

Jennifer Babe
Miller Thomson LLP

John P. Beardwood
Fasken Martineau DuMoulin LLP

Stephen Bowman
Bennett Jones LLP

David Brennan
GE Canada

Jeff Graham
Borden Ladner Gervais LLP

Michael Burke
Blake, Cassels & Graydon LLP

David Chaiton
Chaitons LLP

Peter Dorsey
CIT Financial Ltd.

Robert Kreklewetz
Millar Kreklewetz LLP

Steven Rapkin
McCarthy Tétrault LLP

Michael Templeton
McMillan Binch LLP

John Tobin
Torys LLP

Sheryl Watson
ADESA Canada

Sean Weir
Borden Ladner Gervais LLP

Steve Weisz
Blake, Cassels & Graydon LLP

MONTREAL

Charles (Jim) Bradeen, Q.C.
Gowling Lafleur Henderson LLP

Pierre Denis
Lavery, de Billy S.E.N.C.R.L.

David Kierans
Gowling Lafleur Henderson LLP

Francis Meagher
Marchand Melançon Forget S.E.N.C.

Robert Metcalfe
McCarthy Tétrault LLP

D. James Papadimitriou
Blake, Cassels & Graydon LLP

John Penhale
Gowling Lafleur Henderson LLP

Jean-Yves Simard
Lavery, de Billy S.E.N.C.R.L.

VANCOUVER

William Hartley
Edwards, Kenny & Bray

Rod McCloy
Shapiro Hankinson & Knutson

Robert Swift
Davis & Company

MEMBERSHIP COMMITTEE

Objectives

- To support and build the CFLA membership base.
- To plan and implement membership drives and programs as a way of strengthening and developing the current membership base.

Chair

Robert McAllister

Capmor Capital Leasing
Oakville, Ontario

Members

Peter Freill

Securcor Corporation
Oakville, Ontario

Tom Hopkirk

HKMB Capital Solutions
Toronto, Ontario

David Penton

CIT Financial Ltd.
Burlington, Ontario

SMALL TICKET FUNDERS COMMITTEE

Mandate

This Committee is composed of CFLA members who fund and manage portfolios of small to mid-size commercial leasing transactions.

Objectives

- To monitor, assess and advise on issues impacting providers of small ticket financing.

Members

Mark Cannon

Irwin Commercial Finance
Vancouver, British Columbia

Greg Clark

GE Vendor Financial Services
Mississauga, Ontario

Roberto Cortese

De Lage Landen Financial Services Canada Inc.
Oakville, Ontario

Richard Csabak

National Leasing
Winnipeg, Manitoba

Remo d'Aloisio

Desante Financial Services
Richmond Hill, Ontario

Ed Dias

MCAP Leasing
Burlington, Ontario

Michael Dubowec

National Leasing
Winnipeg, Manitoba

Robert Elrick

Northstar Leasing Corporation
Barrie, Ontario

Michel Levesque

Citicorp Vendor Finance, Ltd.
Toronto, Ontario

Michael Lin

Citicorp Vendor Finance, Ltd.
Toronto, Ontario

Gerald Manning

De Lage Landen Financial Services Canada Inc.
Oakville, Ontario

Mike Mattina

CIT Financial Ltd.
Burlington, Ontario

Larry Mlynowski

Equirex Leasing Corp.
Oakville, Ontario

Bob Mormina

Irwin Commercial Finance
St. Laurent, Québec

Kent Ritchie

National Leasing
Winnipeg, Manitoba

Phil Rubinoff

Northstar Leasing Corporation
Barrie, Ontario

Raja Singh

Bodkin Leasing Corporation
Mississauga, Ontario

Lui Spizzirri

Irwin Commercial Finance
Toronto, Ontario

Terry Wensley

CULEASE Financial Services
Regina, Saskatchewan

J. Anthony Zambon

CIT Financial Ltd./OTF
Burlington, Ontario

STEERING COMMITTEES

Objectives

CFLA has two steering committees: one in Montréal and the other in Vancouver.

- To advise CFLA on industry issues, membership and program development in Quebec and British Columbia.

MONTREAL

Chair

Serge Mâsse
FinTaxi sec/lp

Members

Pierre Denis
Lavery, de Billy S.E.N.C.R.L. Advocats

Luc Paré
Proficom Financial Corporation Inc.

VANCOUVER

Members

Steve Akazawa
Jim Pattison Lease

G. Dennis Holmes
Travelers Financial Corporation

Jim Case
Travelers Financial Corporation

Nick Logan
National Leasing

Rod Hamilton
Software Capital Corp.

William Hartley
Edwards, Kenny & Bray

TAXATION COMMITTEE

Objectives

- To monitor and assess new taxation matters pertaining to the asset-based financing, equipment and vehicle leasing industry.
- To be a resource available to CFLA members with a tax enquiry.
- To advise CFLA of its recommendations for changes in Federal and Provincial taxation.
- To assist in CFLA representations to government departments regarding specific industry tax matters.
- To report to the CFLA membership, new taxation issues and changes that may have a bearing on accounting for taxes.

Chair

Diane Sekula

CIT Financial Ltd.

Toronto, Ontario

Members

Steven Baum

McCarthy Tétrault

Toronto, Ontario

John Dolson

Citigroup Canada

Toronto, Ontario

Cal Bruner

Leasecor Equipment Finance Inc.

Burlington, Ontario

Mark Elston

De Lage Landen Financial Services Canada Inc.

Oakville, Ontario

Norman Baxter

Ford Credit Canada Ltd.

Mississauga, Ontario

Carol Felepchuk

IBM Global Financing- Canada

Markham, Ontario

Larry Biricz

Royal Bank Financial Group

Toronto, Ontario

Allan Gelkopf

Blake, Cassels & Graydon LLP

Toronto, Ontario

Monica Biringer

Osler, Hoskin & Harcourt LLP

Toronto, Ontario

Sebastian Grassa

CIT Financial Ltd.

Toronto, Ontario

Stephen Bowman

Bennett Jones LLP

Toronto, Ontario

Douglas Han

Miller Thomson LLP

Toronto, Ontario

Jason Cooper

PricewaterhouseCoopers LLP

Toronto, Ontario

Allan Hodges

John Deere Credit – Canada

Burlington, Ontario

David Daubaras

GE Capital Canada

Mississauga, Ontario

Tony Italiano

KPMG LLP

Toronto, Ontario

TAXATION (continued)

Ivan Juric
PHH Arval
 Mississauga, Ontario

Robert Kreklewetz
Millar Kreklewetz LLP
 Toronto, Ontario

Daniel Lacelle
Gowling Lafleur Henderson LLP
 Montréal, Québec

Robert Law
GE Canada
 Mississauga, Ontario

Gordon Leonard
Corpfinance International Ltd.
 Toronto, Ontario

Karen McDougall
Bodkin Leasing Corporation
 Mississauga, Ontario

Pat McNamara
IBM Global Financing - Canada
 Markham, Ontario

Owen Moher
Finance Technologies Inc.
 Toronto, Ontario

William Molson
Deloitte & Touche LLP
 Toronto, ON

Jean-Pierre Morier
GE Canada financement d'équipement
 Montréal, Québec

Kathleen Penny
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GE Canada
 Mississauga, Ontario

Daniel Purdy
ARI Financial Services Inc.
 Mississauga, Ontario

Michael Stewart
KPMG LLP
 Toronto, Ontario

Les Storozuk
National Leasing Group Inc.
 Winnipeg, Manitoba

Ruth Ann Strickland
Citifinancial
 London, Ontario

John Thomas
PHH Arval
 Mississauga, Ontario

John Tobin
Torys LLP
 Toronto, Ontario

Jim Tsiokos
Walker Credit Canada Ltd.
 Markham, Ontario

Bob Westlake
GE Canada
 Mississauga, Ontario

Lynne Worden
General Motors of Canada Limited
 Oshawa, Ontario

TECHNOLOGY

Objectives

- To provide useful and timely information on new technologies of interest to the asset-based financing, equipment and vehicle leasing industry.
- To assist in the education of members on the use of new technologies in the asset-based financing, equipment and vehicle leasing industry.
- To recommend to the Board of Directors public policy positions on the commercial use of new technologies.

Members

Alan Bird

Curomax Corporation
Mississauga, Ontario

Steven Sadgrove

Turnford Systems
Burlington, Ontario

Michael Conner

ThoughtWorks Canada Corporation
Calgary, Alberta

Dan Schoenbauer

International Decision Systems
Minneapolis, Minnesota

Andrew Lea

McCue Systems Inc.
Burlingame, California

Larry Shred

Canadian Black Book
Markham, Ontario

Owen Moher

Finance Technologies Inc.
Toronto, Ontario

Hugh Swandel

Swandel & Associates
Winnipeg, Manitoba

THE MEMBERS OF CFLA 2004 - 2005

7 Park Avenue
 ABN AMRO Leasing – Division of
 ABN AMRO Bank of Canada
 Accurate Leasing
 ADESA Calgary
 ADESA Canada
 ADESA Corp.
 ADESA Edmonton
 ADESA Halifax
 ADESA Kitchener
 ADESA Moncton
 ADESA Montréal
 ADESA Ottawa
 ADESA Saskatoon
 ADESA St. John's
 ADESA Saskatchewan
 ADESA Toronto
 ADESA Vancouver
 ADESA Winnipeg
 APAK Group PLC
 ARI Financial Services Inc.
 Addison Leasing
 Advant Leasing Limited
 Aird & Berlis LLP, Barristers & Solicitors
 Alter Moneta Corporation
 Applewood National Leasing
 Asset Inc.
 Aureus Financial Corp.
 AutoOne
 Banc of America Leasing (Canada)
 Bank of Montreal
 Bank of Nova Scotia - Leasing Division
 Bank West
 Baylore Acceptance
 BCG Business Capital Group Inc.
 Bennett Jones LLP
 Darren R. Bieganek Professional Corporation
 Blake, Cassels & Graydon LLP
 Blaney McMurtry LLP
 Bodkin Leasing Corporation
 Borden Ladner Gervais LLP
 CAG Vancouver
 CIBC Equipment Finance Limited
 CIBC World Markets Inc.
 CIT Financial Ltd.
 CLE Canadian Leasing Enterprise/Crédit-Bail Clé Itée
 CMT Structured Capital, Inc.
 CSI Financial Ltd.
 Canadian Automotive Fleet Magazine
 Canadian Black Book
 Canadian Capital Leasing Inc.
 Canadian Securities Registration Systems
 Capital Connect Inc.
 Capital Underwriters Corporation
 Capmor Capital Leasing
 Cardel Leasing Limited
 Casitron Limited
 Caterpillar Financial Services Limited
 Central Technology Services Corporation
 Chaitons LLP
 Checker Flag Leasing Inc.
 Cisco Systems Capital Canada Co.
 CitiCapital Commercial Limited
 CitiCapital Technology Finance Ltd./ CitiCapital
 financement de technologie Itée
 Citicorp Vendor Finance, Ltd.
 Citifinancial Services of Canada Ltd.
 City National Leasing
 Classic Capital Inc.
 Clearlink Capital Corporation
 Coinamatic Canada Inc.
 Collateral Recovery & Administration
 Commercial Funding Group Inc.
 Contemporary Leasing Ltd.
 Corpfinance International Limited
 Coventree Capital Group Inc.
 Credex Financial Services Inc.
 Creditwave
 CULEASE Financial Services
 Curomax Corporation
 Cyber Lease Corporation
 Cyence International
 DaimlerChrysler Canada Inc.
 DaimlerChrysler Services Canada
 Davis & Company
 De Lage Landen Financial Services Canada Inc.
 John Deere Credit Canada
 Dell Financial
 Deloitte & Touche LLP
 Don Valley North Automotive Inc.
 Driving Force
 DSM Leasing Ltd.
 Ecologic Leasing Solutions Inc.
 Edwards, Kenny & Bray
 Elgie Leasing Inc.
 Enable Capital Corporation
 ePlus Company
 EQUIREX Leasing Corp.
 Fasken Martineau DuMoulin LLP
 Finance Technologies Inc.
 financialinx Corporation
 Financial Transport Inc.
 FinTaxi, sec\lp
 First Capital Leasing Ltd.
 First Mutual Leasing Company
 First Union Rail Corporation
 Ford Credit Canada Ltd.
 Ford Motor Company of Canada, Limited
 Foss National Leasing
 Fraser Milner Casgrain LLP
 Fuller Landau LLP
 Garkinke, Biderman
 GE Canada
 GE Canada Equipment Financing
 GE Canada Inc.
 GE Fleet Services
 GE IT Solutions
 GE Railcar Services

GE Vendor Services
 General Leasing
 GMAC Canada Limited
 General Motors of Canada Limited
 Goodman and Carr LLP
 Gowling Lafleur Henderson LLP
 Harrison Pensa
 HOJ National Leasing
 HSBC Bank of Canada
 Hav-A-Kar Leasing Ltd.
 Honda Canada Finance Inc.
 Howson Auto Leasing
 Hunter Keilty Muntz & Beatty Limited/HKMB Capital Solutions Corp.
 IBM Global Financing - Canada
 IMPACT Auto Auctions
 IndCom Leasing Inc.
 Industrial Credit Corporation
 International Decision Systems Inc.
 Irwin Commercial Finance
 Janarlyn Financial Inc.
 Jones McCloy Peterson, Affiliated Law Practices
 Jones, Rogers LLP
 KPMG LLP
 Kamsel Leasing Inc.
 Kempenfelt Capital Inc.
 Key Equipment Finance Canada Ltd.
 Landmark Vehicle Leasing
 Lavery, de Billy GP
 Lease Administration Corporation
 Lease-Win Automotive Group
 Leasebank Capital Corporation
 Leasecor Equipment Finance Inc.
 Lease Link Canada Corp.
 The Leasing Group Inc.
 Leggat National Leasing
 Bob Leighton & Associates
 Liftcapital Corporation
 Lionhart Capital Ltd.
 London Leasing
 MCAP Leasing
 MacAnders Capital Finance Corp.
 Manheim's Toronto Auto Auction
 Manulife Financial
 MapelLease Financial Services Ltd.
 Marchand Melançon Forget S.E.N.C. Avocats
 Maxium Financial Services Inc.
 McCarthy Tétrault
 McMillan Binch
 Mercado Capital Corporation
 Millar Kreklewetz LLP
 Miller Thomson LLP
 Mintage Financial Corporation
 Mintz & Partners LLP
 Morrison Acceptance
 Nassau Asset Management
 National City Commercial Capital Corp.
 National Leasing
 Nelson Financial Group Ltd.
 Newport Leasing Limited
 Nisco National Leasing
 Nissan Canada Finance Inc.
 North York Chevrolet Oldsmobile Ltd.
 Northstar Leasing Corporation
 O'Reagan's National Leasing
 Omnifarious Acceptance Corporation (OAC)
 Oracle Financing Division
 Osler, Hoskin & Harcourt LLP
 PACE Savings & Credit Union
 P&D Technologies
 PHH Arval
 Parade Equipment Leasing Inc.
 Jim Pattison Lease
 Jim Peplinski's Leasemaster National
 Pitney Bowes Global Credit Services
 Polaris Leasing Ltd.
 Premier Lease & Loan Services
 PricewaterhouseCoopers LLP
 Proficom Financial Corporation
 Qualica Financial Group Inc.
 Repair Industry Finance Corporation
 Riordan Leasing
 RouteOne Canada
 Royal Bank Financial Group
 RSM Richter, LLP
 RVI Group
 Sawka Group of Companies
 Scott Capital Group Inc.
 Securcor Corporation
 Securefact Corporation
 Serv-Tek Asset Management Services Inc.
 Shaw Lease & Truck Rentals
 Siemens Credit Limited
 Site Finance Inc.
 Somerville National Leasing & Rentals Ltd.
 Sovereign Leasing Corporation
 Stonebridge Financial Corp.
 Sun Life Assurance Company of Canada
 Swandel & Associates
 Technology Investment Partners
 Textron Financial Canada Limited
 Torsys LLP
 Toyota Credit Canada Inc.
 TransportAction Lease Systems Inc.
 Transwest Financial Services Corp.
 Travelers Financial Corporation
 Tricor Lease & Finance Corporation
 Turnford Systems Inc.
 Universal Leasing, a division of UL Capital Corp.
 VantageOne Capital
 VFC Inc.
 VFS Canada Inc.
 VW Credit Canada Inc.
 WS Leasing Ltd.
 Walker Credit Canada Limited
 Wells Fargo Equipment Finance Company
 Westana Leasing Corp.
 Westport Leasing Corporation
 Wheels Canada
 White Clarke North America
 Williamson Leasing
 Wilsand National Leasing



Canadian Finance & Leasing Association
Association canadienne de financement
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