

Progressive Leasing

Store Communications and Frequently Asked Questions (FAQ's)

Daniel's Jewelers has teamed up with Progressive Leasing to deliver a unique opportunity for virtually any customer to purchase fine jewelry for an affordable monthly payment. Any customer can apply with Progressive Leasing.

Use of Progressive Leasing:

1. Progressive Leasing is our FOURTH option to make a sale to your customer who isn't or can't pay in full with cash, check, debit card or bank credit card.
2. Unless there are reasons not to (see below), you should be going through the standard progression of our full credit offering. That is:
 - a. Daniel's and Synchrony
 - b. Synchrony alone
 - c. Genesis if an offer is made after a Synchrony decline.
3. Your customer may "go straight to Progressive" because they don't want to have their credit run. However, don't lose out on a good Daniel's, Synchrony or Genesis approval just because your customer is "shy" about credit inquiries. Always be honest with and respect the wishes of your customer when they say "don't run my credit" (which means you should not send anything to Central Credit and you should not complete an application with Genesis after receiving an offer). But you should still work to get each customer to apply with Daniel's and Synchrony and Genesis BEFORE Progressive Leasing is brought up.

Also, don't confuse your customer. If you already sent something in for Daniel's and/or Synchrony or completed a Genesis application, your customer has already received a "hard" credit inquiry. If this is true, you need to be careful that the customer doesn't mis-understand you when you say Progressive Leasing will not make a "hard" credit inquiry and assume that NO "hard" credit inquiry was made after he/she started talking with you.

4. Progressive LOVES all customers, as long as:
 - a. Your customer is 18 years or older
 - b. Your customer has a social security number or ITIN
 - c. Your customer has government issued photo identification – INCLUDING Matricula Consular cards!
 - d. Your customer has a checking account and can provide the checking account and routing numbers for his/her account
 - e. Your customer has a debit or a credit card
5. Progressive Leasing is a GREAT OPPORTUNITY for your customers who:

- a. Have ONLY a Matricula Consular ID (which will keeps customers from applying with Synchrony and Genesis).
- b. Have little or no limited down payment – only \$49 is required at the time of purchase when using Progressive Leasing
- c. Cannot get approved with Daniel's, Synchrony or Genesis for the amount of the purchase – because of the very small payment needed at the time of sale, many more customers are going to qualify with Progressive Leasing for larger, nearly no down payment purchases!

Progressive Leasing Application Process/Overview:

1. After attempting to have your customer apply with Daniel's, Synchrony and Genesis, assist your customer to complete the Progressive Leasing APPLICATION on the web workstation in your store. See the ICON or shortcut named PROGRESSIVE APPLICATIONS.
2. Log in to the Progressive Leasing web site (see the ICON or shortcut named PROGRESSIVE APPROVALS) to determine the APPROVAL AMOUNT. Any increases in the approval amount should be completed before moving to the next step (see the Frequently Asked Questions section below on Progressive Leasing approval increases).
3. If not already done, merchandise to be sold and pricing (including any allowed repairs/sizing), is decided upon with the customer
4. Enter the transaction into POS. During entry of the transaction or from the handwritten sales slip, make note of the description of each item being sold and the customer's price (including any allowed repair). Registry cannot be sold on a Progressive Leasing transaction and the price for allowed repairs must added to the price of the merchandise listed on the transaction on the Progressive Leasing website – do *NOT* separately list repairs on the transaction on the Progressive Leasing website. NOTE: NO receipt is printed from POS. The receipt is retrievable from menu selection 50, but the customer should *NOT* be given any copy of any POS receipt for the sale to Progressive Leasing.
5. Store Associate returns to the Progressive Leasing web site to complete the leasing transaction with the customer.
6. **BE CERTAIN TO PRINT FROM THE INTRANET AND GIVE TO EVERY PROGRESSIVE LEASING CUSTOMER WITH HIS/HER MERCHANDISE ONE COPY OF THE DOCUMENT CALLED** - Progressive Leasing (Customer Communications)
7. If the leasing transaction cannot be completed for some reason, the POS receipt should be voided and the merchandise returned to stock.

Important Details about Progressive Leasing

1. In order for you customer to apply with Progressive Leasing, he/she must:
 - a. Be 18 years or older
 - b. Have a social security number or ITIN
 - c. Have a government issued photo identification – INCLUDING Matricula Consular cards!
 - d. Have a checking account and can provide the checking account and routing numbers for his/her account

- e. Have a debit or a credit card
- 2. Progressive Leasing is NOT a finance company and the transaction between Progressive Leasing and the customer is NOT an extension of credit by Progressive Leasing.
- 3. While Progressive Leasing does NOT pull a hard credit bureau from the three national credit bureaus, the Progressive Leasing process CANNOT be referred to as a “No Credit Check” process or program.
- 4. You can refer to Progressive Leasing as a “No Credit Required” or a “No Credit Needed” leasing alternative to a traditional credit or charge account *AND* you can assure your customer that there will be no hard inquiry on any of the three national credit bureaus by applying with Progressive Leasing. However, unlike Daniel’s, Synchrony and Genesis, Progressive Leasing *DOES NOT* report positive payment history to the three national credit bureaus.
- 5. Merchandise is actually sold by Daniel’s Jewelers to Progressive Leasing, not to the customer. The customer will enter into a separate transaction with Progressive Leasing to lease the merchandise the customer has selected and you are delivering.
- 6. When merchandise is selected by a customer and the customer is approved by Progressive Leasing, the merchandise will be sold to Progressive Leasing for lease to the customer and a transaction is entered into the POS system. For 818 purposes, the store and the sales associate(s) will receive credit for the sale to Progressive Leasing as if the sale was made for cash, check, bankcard or on a Daniel’s, Synchrony or Genesis Account.
- 7. Frequently Asked Questions about USING Progressive Leasing:
 - a. When do you offer or try to use Progressive Leasing?
 - i. Your customer does not have enough down payment to be approved on Daniel’s or could not be approved on Daniel’s, i.e., recent charge off, unresolved bankruptcy, etc.
 - ii. Your customer was not approved on Synchrony or Genesis for the full sale or enough to be used as down payment on an approved Daniel’s account.
 - iii. Your customer wants to buy today, but doesn’t want his credit bureau to receive a “hard” inquiry. Be careful! Do not let a good Daniel’s, Synchrony, Genesis sale be turned over to Progressive Leasing just because your customer is afraid of having their credit run.
 - b. What is the most important things for me to tell my customer to encourage an application with and use of Progressive Leasing?
 - i. “No Credit Required” or a “No Credit Needed”
 - ii. Flexible, low monthly payments
 - iii. No down payment. There is a nominal, \$49.00 initial payment charged when the leasing paperwork is completed, but that is all.
 - c. What is the “interest rate” charged by Progressive Leasing? Progressive Leasing does not have an “interest rate”, it is a lease. However, depending upon the length of the lease, the customer will pay a total of 2.25 times the total amount that would have been paid if the customer paid for the merchandise in full at the time of purchase. The full terms of the agreement between Progressive Leasing

and the customer will be provided to the customer at the time the leasing transaction is completed with the customer. However, if a customer were to instead purchase using a typical bankcard and pay on the minimum payment due each month, although the number of payments would be greater, the total amount paid would be much more than 2 to 2.5 times the total amount that would have been if the customer paid for the merchandise in full at the time of purchase.

- d. Can a customer have a Daniel's, Synchrony and/or Genesis account *AND* a Progressive Leasing transaction? Yes. Keep in mind, however, that the arrangements between Progressive Leasing and the customer do not involve Daniel's in any way and you should not refer to Progressive Leasing as "another financing option".
- e. Can a customer make a payment on their Progressive Leasing lease in a Daniel's Jewelers store? No. Normally, customer payments are automatically debited to the customer's checking account. Other payment methods and arrangements must be made with Progressive Leasing. NEVER take a payment from a customer on his/her Progressive Leasing lease.
- f. What happens when the customer pays their last "lease" payment to Progressive Leasing? Unlike a car lease where a "residual payment" is usually due at the end of the lease if the car is going to be kept and not returned to the dealer, when the customer completes his/her lease agreement with Progressive and all payments have been made, the customer owns the merchandise they leased outright with no additional payments or buyouts required.
- g. Can a customer pay Progressive Leasing in advance? Is there a "same as cash option"? Yes. Ask your customer to contact Progressive Leasing for a complete explanation of these options. However, in general, your customer can pay the entire original amount leased by Progressive, plus sales tax, plus the initial payment of \$49.00 within 90 days of the start of the lease. This is "same as cash" PLUS \$49.00 in days or less. After 90 days, the amount that will be due to end the lease early has to be determined by Progressive.
- h. Can a customer "split tender" or give a down payment in order to purchase merchandise that is more expensive than the amount approved by Progressive Leasing? No. As required by Progressive Leasing, a split tender or down payment is not allowed. This means that you cannot record any cash or other payment in order to reduce the amount that needs to be carried by Progressive Leasing. The full selling price of the item must be recorded and this is the amount that must be covered by the Progressive Leasing approval.
- i. Can we sell Registry on a Progressive Leasing transaction? No. For reasons that are outside of the control of Daniel's Jewelers *AND* Progressive Leasing, we cannot sell or add registry to Progressive Leasing transaction.
- j. Is there a "deal maker" at Progressive Leasing? No, Progressive Leasing follows a standard, consistent practice for approving customers under their program. So, just like Synchrony and Genesis, you cannot call Progressive Leasing for a "2nd

Opinion". However, if there is an issue getting an application entered or if you feel that the information you entered is not correct, you should contact Progressive Leasing at (855) 222-0801.

PLUS, if your customer is approved with Progressive Leasing, you can use one *OR* both of the following methods to get a bigger approval.

First – Call Progressive Leasing at (855) 222-0801 and request an increase

On Approvals under \$1,000 they will add \$100

On Approvals of \$1,000-\$1,999 they will add \$200

On Approvals of \$2,000 or more they will add \$300

Second, you can add 10% to any final approval amount from Progressive Leasing. For example, if your customer is approved for \$2,000 and you called for an increase to get to \$2,300, you can add another \$230 (10% of \$2,300), or \$2,550 total. If your customer is approved for \$2,000 and you DID NOT CALL for an increase and have just \$2,000 approval, you can add another \$200 (10% of \$2,000), or \$2,200 total.

Finally, Progressive Leasing doesn't issue credit limits. Once the leasing transaction has been completed, any amount left over from the amount that was originally approved is not available to the customer, unless another application is submitted to Progressive Leasing. This means two things. First, MAXIMIZE! Sell the most you can to the customer up to the amount approved by Progressive Leasing. Second, if you have the customer at "no" and you can't sell any more, if Progressive Leasing has already provided an approval for your sale, there is no value in contacting Progressive Leasing for a larger approval amount.

- k. Can a customer have more than one Progressive Leasing lease at the same time?
Yes! But, the limit is 2, and on the second lease ONLY the 10% overage is allowed. If call for an increase on the 2nd lease, Progressive Leasing will not approve.
- l. Is there a SPIFF for using Progressing Leasing? Of course! Store associate (and store managers) can earn a spiff equal to 1% of the amount that is put through Progressive Leasing (1% of the "Offset SKU" amount; see below), this is in ADDITION to all regular spiffs that you can earn on the sales like Signature, Black Book, etc. Like all SPIFFS, a key holder or the store manager (or another key holder) must verify, process and payout the Progressive SPIFF that is earned (1% of the amount that is put through Progressive), the Progressive SPIFF must be recorded on the store's SPIFF log and any returns require the re-payment of any Progressive SPIFF that was taken on the original transaction.