

Lease to Installment Loan FAQ's – Frequently Asked Questions:

1) When was the Allegro Credit Leasing Program discontinued?

It was discontinued on July 31st, 2023.

2) What happens to approved lease applications through July 31st, 2023?

Lease applicants who are prequalified and receive an offer through July 31st, 2023 can accept the offer within 60 days of approval. Offers will be stored in the Allegro Credit portal for 60 days after prequalification, even when the leasing product is removed as an option from your merchant account on July 31st, 2023.

3) What is the Allegro Credit Installment Upgrade program?

The lease to installment upgrade is great for patients who may want to transition into new technology prior to the end of the lease term. With this option, the patient applies for a new Allegro Credit Installment Loan and, if approved, enters a new installment loan agreement to purchase the device. The provider then pays off the remaining lease balance, if applicable, as an incentive for patients to upgrade to new technology. If the patient has a zero balance at the end of the lease term, meaning all payments and any applicable charges are paid, there is no funding offset and the patient is not eligible for the lease to installment upgrade process. See question 7 for the patient's options at the end of the lease. See Lease to Installment Automated Device Upgrade Process - Merchant Use Only (link below).

The 36 and 48-month installment loans offer monthly payments, similar to monthly lease payments, and are a smooth transition in the patient's payment experience. In addition, there are installment loan options with waived interest if paid in full within the promotional period. Whether patients prefer a monthly payment on a longer fixed term loan or financing with a waived interest promotional period, there is a range of convenient payment solutions to support a wide variety of patient needs.

4) What is the difference between a lease and an Installment Loan?

The Allegro Credit leasing program offers a closed-end consumer lease. With a lease, Synchrony Financial (SYF) owns the collateral and leases (rents) that collateral to the patient, charging them a monthly lease payment consisting of rent + depreciation + state sales/use taxes. The full term of the lease is 48 months (36 month may be available, subject to approval).

The Standard Installment Loan is a one-time use loan with a fixed APR, fixed term and predictable, fixed monthly payments. The patient owns the product.

With the Installment Loan with Waived Interest if Paid in Full Within Promotional Period option, interest is charged from the beginning of the loan and the APR is typically higher than the standard installment loan. If the balance is paid in full during the promotional period (including any fees), all interest is waived. If the balance is not paid in full during the promotional period, payments continue at the fixed payment amount with interest for the remainder of the installment term.

5) How long does a patient's approval last for an Installment Loan?

Approvals last for 60 days – same as an Allegro Credit lease. A patient may reapply after their approval expires. Each time an application is submitted, a soft inquiry may appear on the patient's credit report.

6) When is the patient's first payment due on an Installment Loan versus a lease?

If the patient is approved and accepts their Allegro Credit installment loan offer, their first monthly payment will be due approximately 30 days after the delivery date, versus a lease which requires the first payment when their lease agreement is signed and submitted.

7) What happens at the end of the lease for current lease patients once the Allegro Credit Leasing Program ends?

SYF will send an End of Lease letter 45 days prior to the end of the lease. At the end of the lease agreement, patients have one of three options:

1. Purchase their device (if available per their lease agreement)
2. Return the device to merchant
3. Upgrade to new technology with a new installment loan (subject to credit approval)
 - Devices must be returned by the patient to the merchant, see question 8

8) What happens to the hearing devices once they are returned by the patient to the merchant?

SYF has updated the process for returning hearing devices at the end of a lease. Lease patients should return their hearing devices directly to the merchant (not SYF) who will take ownership of the devices. Please see Section 7 of the updated Lease Addendum in the Allegro Portal at: Help, Merchant Agreements, Lease Addendum - Product Returns and Surrenders.

- If a client/patient returns or surrenders leased goods to Professional, Professional may take possession of such goods and notify Bank that it is in possession of such goods, and all right and title to such goods will be deemed to pass from Bank to Professional at the time Professional takes possession. Bank will not be responsible or liable for such goods once Professional takes possession, and Professional will indemnify, defend and hold harmless Bank and its affiliates, officers, directors, employees, and agents from any losses, liabilities, and damages of any and every kind (including, without limitation, any costs, expenses or reasonable attorneys' fees incurred by any indemnified party), to the extent arising out of any claim or complaint made by any third party with respect to such goods once Professional takes possession.

At the time of delivery of device(s) under the installment loan, you must recover the leased device and notify Allegro Merchant Services at Allegro_support@syf.com with the lease account number, device serial number, and return date.

9) Returns: What if the patient doesn't like their hearing devices?

Once the hearing devices are delivered to the patient, the provider's standard return policy period begins (policy may vary by provider). If the patient is unhappy with their selected hearing devices during the provider's standard return period, a provider can process a return in the Allegro Credit Merchant Portal any time.

Reference:

Merchant Services: 877-744-2290
Mon-Fri: 6am – 6pm PST
Sat: 7:30am – 5pm PST
Sun: 10am – 5pm PST

Upgrade Process - Lease to Installment Loan - Merchant Use Only
<https://hearing.allegro365.com/resources/upgradeprocess.pdf>