

A photograph of a hospital hallway. In the foreground, a nurse in blue scrubs is pushing a gurney with a patient lying on it. The hallway is brightly lit with overhead fluorescent lights. In the background, other healthcare workers and a patient in a wheelchair are visible. A semi-transparent purple rectangle is overlaid on the left side of the image, containing the title and subtitle text. At the bottom of the image, there is a decorative graphic of a network or mesh structure.

FLEXIBLE FINANCE MODELS – FOR HEALTHCARE TECHNOLOGY

How you can benefit from CHG-MERIDIAN

OPERATING LEASE



Example Operating Lease

New Equipment Cost: £100,000

Term: 5 Year

Rental Profile: Annual

Rental: £18,400

Total Payable: £92,000

An operating lease is the most common type of agreement used by NHS Trusts, this type of agreement is available for all UK Trusts when acquiring new equipment. Most NHS Trusts use operating leases to ensure “off balance sheet” treatment for accounting purposes. The risks and rewards of ownership remain with the lessor and the residual value in the equipment taken by us must demonstrate true “risk transfer” to the lessee.

ADVANTAGES

- The sum of the rentals within an operating lease will typically be less than the original capital cost
- An operating lease is particularly attractive to Trusts that continually update or replace equipment and want to use equipment without ownership
- Usually results in the lowest payment of any financing alternative and is an excellent strategy for capital budgeting restraints
- Provides fixed, known costs throughout the contract period
- Flexibility to upgrade to new equipment as required or terminate the agreement early
- The option to hand the equipment back at the end of the term or continue to use it for a secondary period
- Fixed costs 0% inflation

FINANCE LEASE



Example Finance Lease

New Equipment Cost: £100,000

Term: 5 Year

Rental Profile: Annual

Rental: £21,498.97

Total Payable: £107,494.85

Whilst finance lease agreements are common within the private sector, certain NHS Trusts do have access to this type of agreement, most notably Foundation Trusts. A finance lease is typically a full pay-out agreement, this means that the sum of the rentals includes the full capital cost of the equipment, plus the interest accrued. A finance lease will normally fully pay out the cost of the equipment during the lease period much the same as a loan.

ADVANTAGES

- The most suitable solution for procuring long life, low tech assets
- Allows for the known total cost of ownership
- Gives the flexibility to upgrade equipment within the agreed term or terminate early
- Fixed costs 0% inflation

SALE & LEASEBACK



“CHG-MERIDIAN’s sale & leaseback solution allowed us to free up a significant amount of capital across multiple equipment modality types.”

Director of Finance, NHS Trust

NHS Trusts can raise capital budget by unlocking the value of existing owned equipment, this is known as a “sale and leaseback.” A Trust can sell existing equipment that they own and lease it back. The solution can be structured as a finance or operating lease. This can be an effective route to cut costs and create capital.

- Sale & leaseback removes the costs and risks of ownership of assets that were previously capital investments.
- Sale & leaseback creates additional capital budget based on currently owned assets

Example Sale & Leaseback

We Pay You:

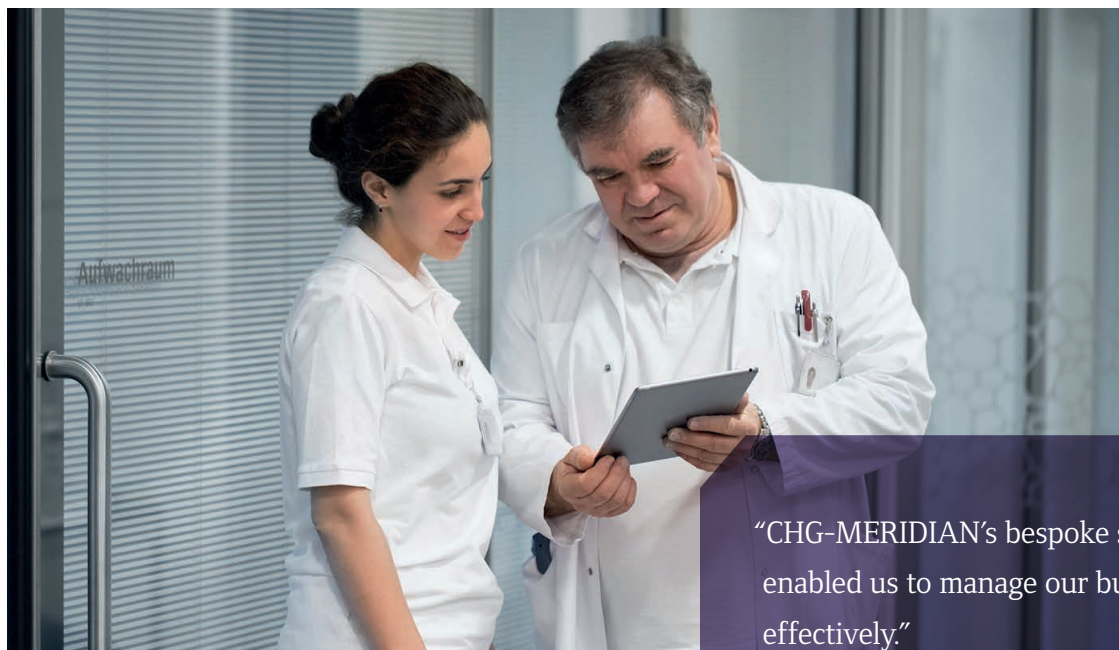
The original purchase price or the written down net book value (dependent on the age of the equipment)

Contract type:

Finance lease or operating lease

Sale & leaseback is available on all equipment in a hospital environment.

STRUCTURED PAYMENT SOLUTIONS



“CHG-MERIDIAN’s bespoke solutions enabled us to manage our budget more effectively.”

Head of Procurement, NHS Trust

DEFERRED PAYMENTS

We can provide solutions for NHS Trusts that do not have the required capital or revenue budgets for the current financial year, but require urgent supply of equipment.

- Trusts can acquire their equipment today and defer payments to the following financial year by signing a structured deferred payment lease solution.
- A deferred payment lease solution is available with an operating lease, finance lease or sale and leaseback.
- During a deferral period, we will ensure that supplier invoices are settled on time and in full (upon agreement & sign off by the Trust).

STEPPED PAYMENTS

Payments can be structured to be aligned with the income the Trust is receiving for the patient service.

Example Rental Payments:

Year 1: £50,000 Year 2: £55,000 Year 3: £60,000

BESPOKE SOLUTIONS

- Budgetary Leases - These can be used to cover both today’s and future equipment requirements
- Pay Per Use/Scan
- Managed Equipment Service (MES)
- Part exchange of customers’ existing equipment

CONSUMABLE AGREEMENTS



By subscribing to a minimum commitment level for consumable products considerable savings can be generated.

We have partnered with some of the most well-established names in the healthcare equipment market to offer fixed cost consumable agreements. This type of agreement allows NHS Trusts to fix the costs of both equipment and consumable usage over a set period of time, giving them comprehensive cost control whilst minimising wastage.

- An NHS Trust would agree to a price per consumable and also to the order of a minimum commitment over the term of the agreement, in return the Trust has the use of the equipment throughout the agreed contract term.
- Supplier maintenance can be included on request.
- Use of latest technology and delivery of associated consumables at a fixed price for the duration of the contract

EQUIPMENT TYPES INCLUDE:

- Laboratory
- Pathology
- Infusion
- Dialysis
- Sterilisation

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REMARKETING – WE BUY SECOND HAND MEDICAL EQUIPMENT



Equipment part exchange programmes

CHG-MERIDIAN's remarketing experts can help you to unlock significant value in ageing equipment that can be allocated to your refresh budget be it capital or lease.

We are one of Europe's largest and best-known resellers of used IT equipment having been in the market for over 30 years. We have extensive expertise in the remarketing of all types of medical equipment, from MRI scanners to hospital beds. We have built up a wide network of global buyers for all types of equipment ensuring we get the best prices possible. With our global reach, we can achieve the maximum possible return for our clients, something which is essential in today's economic climate.

DEINSTALLATION SERVICES

We are able to offer competitive deinstallation services for anything from an MRI Scanner to an X-Ray. Many of the original equipment manufacturers (OEM) now have fewer employed engineers and now often subcontract deinstallation services. By utilising our services, you will be able to demonstrate significant cost savings and what's more we also ensure the necessary health and safety method statements are performed prior to deinstallation and removal.

DATA INTEGRITY

In today's world, it's not uncommon to have serious reservations about disposing of equipment that contains potentially sensitive and valuable information. With our complete data wiping procedure

we aim to alleviate these concerns. Our data deletion and elimination service exceeds current standards for the permanent erasure of digital information and uses techniques that stop both software and hardware recovery tools from restoring the erased data.

ENVIRONMENTAL DISPOSAL

While we try to reuse and resell any equipment we have been tasked with collecting, inevitably some equipment is simply past its sell by date and has to be disposed. We make sure that all equipment we dispose of is done in accordance with WEEE directives and certification will be provided for any assets disposed of on your behalf. Finally, if the equipment cannot be resold but still has significant 'scrap' value we can offer cash back as part of the disposal.

ENVIRONMENTALLY FRIENDLY

- We have a zero to landfill rate
- We have a route to market for 90% of our kit
- Sometimes the assets we receive back are obsolete. In this instance, we strive to recycle and breakdown parts wherever possible
- Our warehouse uses natural and renewable energy sources such as solar energy and biomass fuel to ensure our low carbon footprint

PARTNER FINANCING BENEFITS

Why should you integrate finance solutions into your core business?

Take a look at these 10 fundamental reasons.

1. EASIER TO SELL

By quoting a regular fixed price rental profile you can overcome objections to large capital expenditure.

2. PREVENT REQUESTS FOR DISCOUNT AND UP SELL YOUR PRODUCTS

No need to offer large discounts because the quoted rentals will be far smaller. Also allows you to up sell with additional products because the increased cost will appear minimal.

3. PROTECT AND INCREASE YOUR PROFIT MARGIN

Moving the focus away from the total cost smaller regular payments will place you in a better position to increase your overall profit margin.

4. PROTECT YOUR CUSTOMER BASE

Knowing when your customer's agreement is ending allows you to be the first to renew it – true portfolio management.

5. ENHANCE YOUR CASH FLOW

You will benefit from quick payments and minimise the potential for bad debts.

6. MAKE YOURSELF LOOK DIFFERENT TO THE COMPETITION

CHG's bespoke financial solutions can make your offer more compelling.

7. LONGER MAINTENANCE AND SERVICES

The lease contract terms and conditions specify the equipment must be maintained throughout the term of the lease, giving you the opportunity to secure longer terms maintenance and service agreements.

8. EASIER TO UPGRADE ASSETS

The assets can be upgraded during or at the end of the lease agreement, helping to keep the competition out.

9. BE CREATIVE

Each and every customers requirements are different. By working with CHG you can match the finance requirements to the overall solution.

10. BECOME PART OF THE SOLUTION

By working with CHG you can create a complete solution package which includes: portfolio management, flexible financial structuring, the supply of the equipment and the remarketing of the old equipment. All of which allows you to become a true solution provider for your customers.

PROCESS FLOW CHART

Example based on a 5 year operating lease agreement for £100,000 of medical hardware to an NHS Trust.



CHG-MERIDIAN

EFFICIENT TECHNOLOGY MANAGEMENT®



ABOUT CHG-MERIDIAN

CHG-MERIDIAN is an expert in efficient technology management for the IT, healthcare and industrial sectors. Since 1979, we have been financing individually developed technology solutions, independently of banks or manufacturers. By connecting business and technical expertise, we give our customers a crucial edge when it comes to providing value through technology management.

OUR VALUE PROPOSITION

We provide our customers with expert, impartial, and straightforward support to manage the entire technology lifecycle. We enable our customers to:

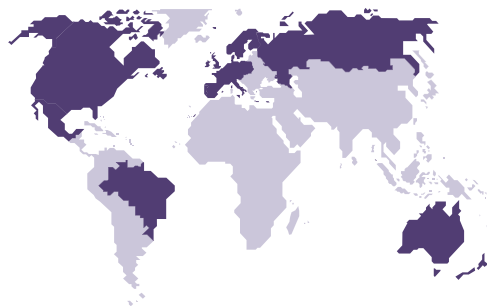
- Minimise their workload through a professional, comprehensive service, which combines our technical knowledge and commercial expertise in managing your technology portfolio
- Reduce costs and risks associated with technology, providing value in the total cost of ownership
- Maintain full transparency of their technology portfolio with intelligent reporting tools

INFORMATION REQUIREMENTS FOR ALL CUSTOMERS

In order for CHG-MERIDIAN Healthcare to provide a formal quote & gain credit approval for your customer and their desired leasing plan, we require the following information:

- Exact name of the NHS Trust or registered company
- Company registration number of customer if non-NHS.
- Full address of customer, with install address if different.
- Customer contact name
- Full equipment list & price detail
- Term & profile required in advance i.e. 5 Years annually/quarterly

25 COUNTRIES ACROSS THE WORLD



YOUR CHG-MERIDIAN HEALTHCARE CONTACTS

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