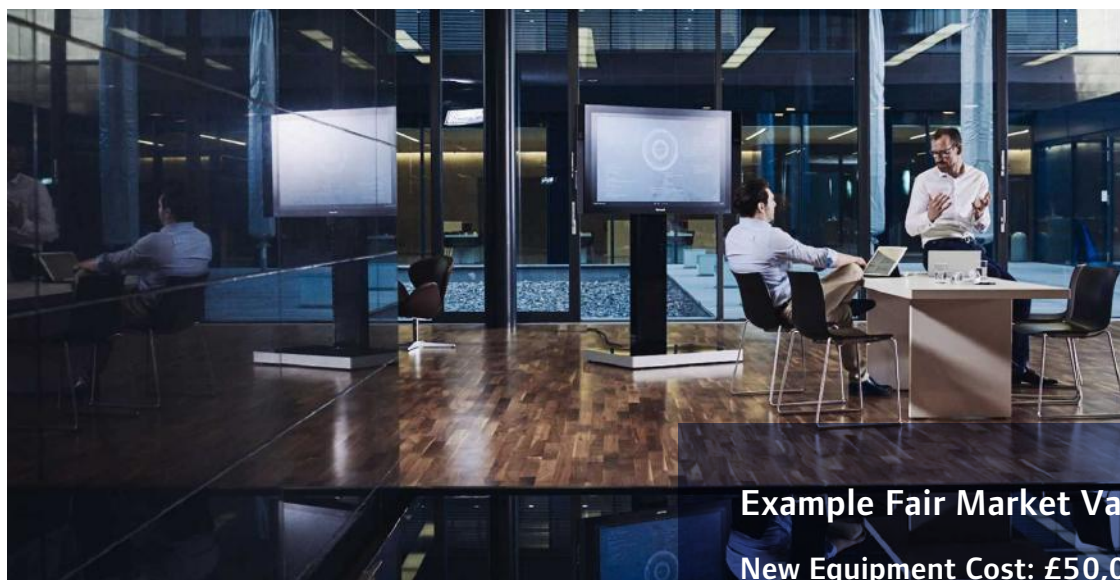


CHG-MERIDIAN

# FLEXIBLE FINANCE MODELS FOR YOUR IT EQUIPMENT

How you can benefit from  
CHG-MERIDIAN

# FAIR MARKET VALUE LEASE



## Example Fair Market Value Lease

**New Equipment Cost: £50,000**

**Term: 3 Years**

**Rental Profile: Quarterly**

**Rental: £4,000**

**Total Payable: £48,000**

A fair market value (FMV) lease enables our customers to replace and upgrade their equipment without the risk of it losing its value or becoming obsolete. An FMV lease allows for the use of an asset, but the lease term is short compared to the useful life of the asset. As a result, we take a residual value on the asset meaning the sum of the rentals will be typically less than the original capital cost.

### At the end of the lease, you can either:

- Hand the equipment back and upgrade to the latest technology
- Extend the lease period for continued use of the current equipment

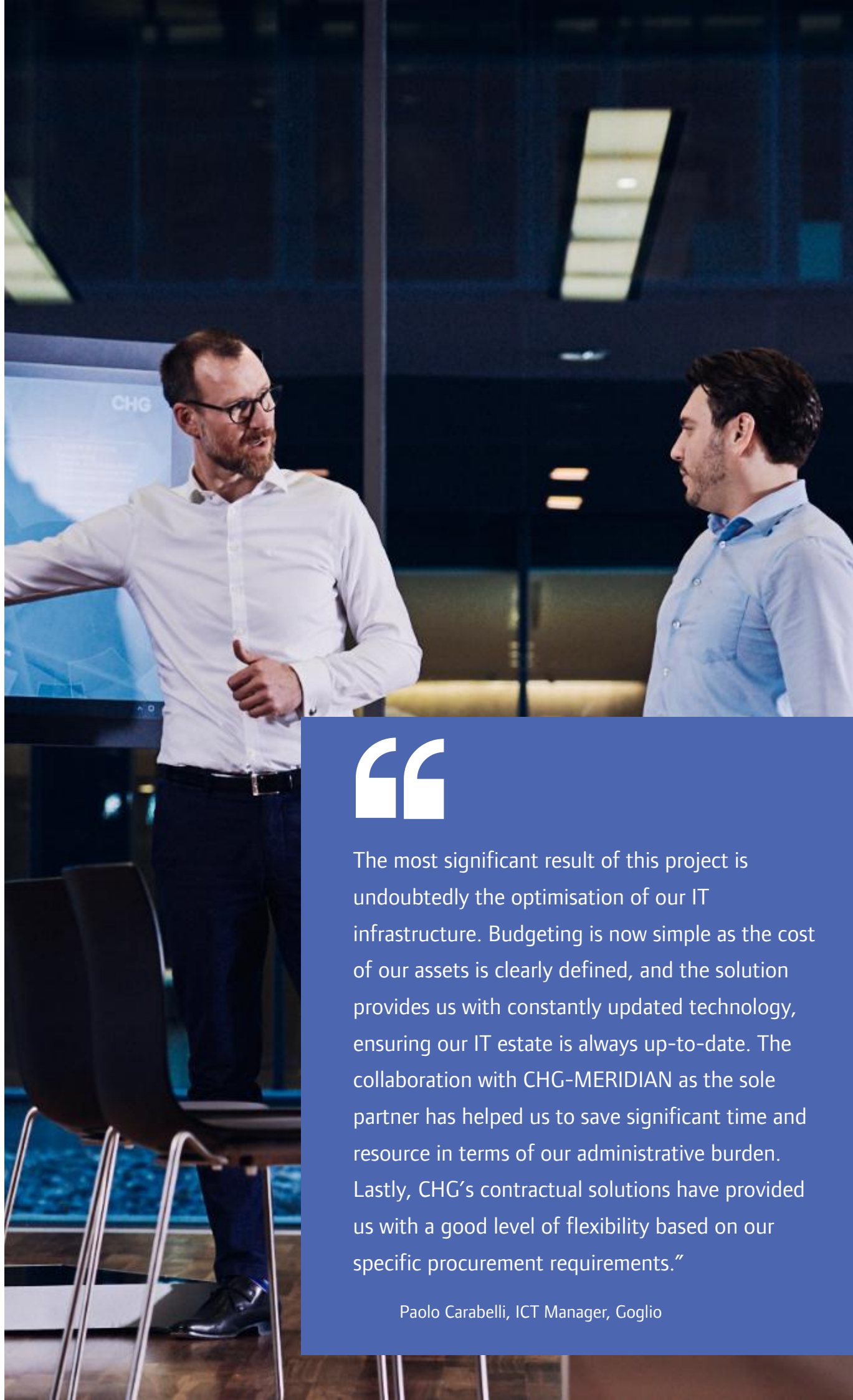
### Assets that are typically funded via an FMV lease:



### ADVANTAGES

- The sum of the rentals within an FMV lease will typically be less than the original capital cost
- Usually results in the lowest payment of any financing alternative and is an excellent strategy for capital budgeting constraints
- Provides fixed known costs throughout the contract period
- Flexibility to upgrade to new equipment as required or to terminate the agreement early
- The option to hand the equipment back at the end of the term or to continue to use it for a secondary period
- Fixed payments - improve budgetary and planning certainty



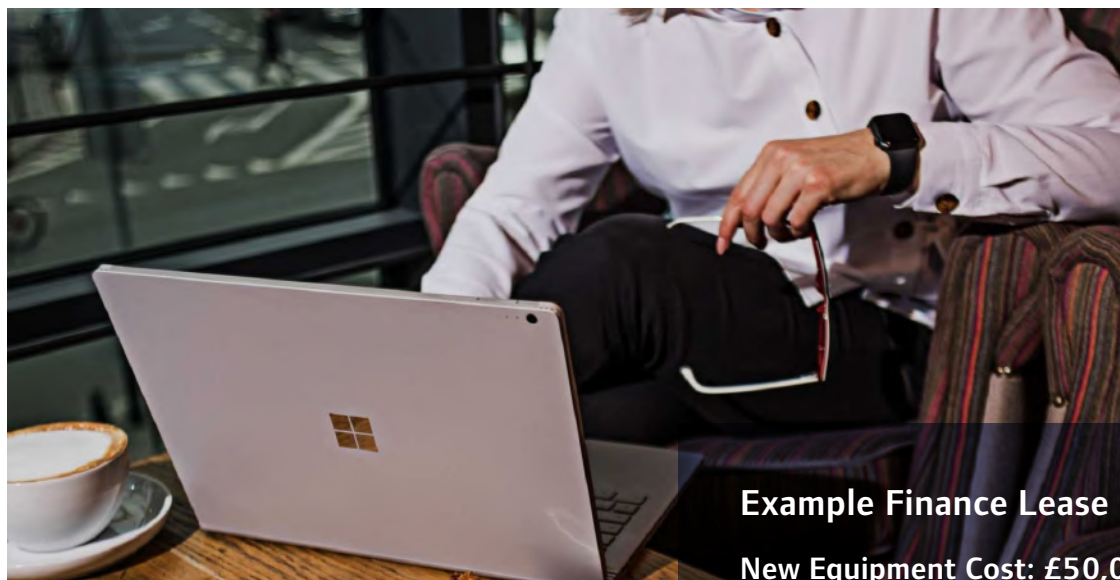


“

The most significant result of this project is undoubtedly the optimisation of our IT infrastructure. Budgeting is now simple as the cost of our assets is clearly defined, and the solution provides us with constantly updated technology, ensuring our IT estate is always up-to-date. The collaboration with CHG-MERIDIAN as the sole partner has helped us to save significant time and resource in terms of our administrative burden. Lastly, CHG's contractual solutions have provided us with a good level of flexibility based on our specific procurement requirements.”

Paolo Carabelli, ICT Manager, Goglio

# FINANCE LEASE



## Example Finance Lease

New Equipment Cost: £50,000

Term: 3 Years

Rental Profile: Quarterly

Rental: £4,750

Total Payable: £57,000

A finance lease is typically a full payout agreement; this means that the sum of the rentals includes the full capital cost of the equipment, plus the interest accrued. A finance lease allows for the payments to be spread over the lease term, while also providing flexibility at the end of the contract.

### At the end of the lease, you can either:

- Hand the equipment back and upgrade to the latest technology
- Extend the lease period for continued use of the current equipment
- Ownership options may be available once the lease has been terminated, at the end of the minimum period

### Assets that are typically funded via a finance lease:

#### ADVANTAGES

- The most suitable solution for procuring long life, low tech assets
- Allows for extended use of the equipment for a nominal sum
- Gives the flexibility to upgrade the equipment during or at the end of the lease agreement
- Enables you to decide what you want to do with the equipment at the end of the lease. Therefore allowing you to control the upgrade cycle
- Fixed payments - improve budgetary and planning certainty



“

Innovation cycles are getting shorter and shorter, which means that companies have to move with the times and continuously adapt their processes. They need support to do this, and that's what CHG-MERIDIAN offers from start to finish.

Paul Godley, IT Manager, MAN Truck & Bus

# SALE & LEASEBACK - Raise capital budget by unlocking the value of your existing equipment

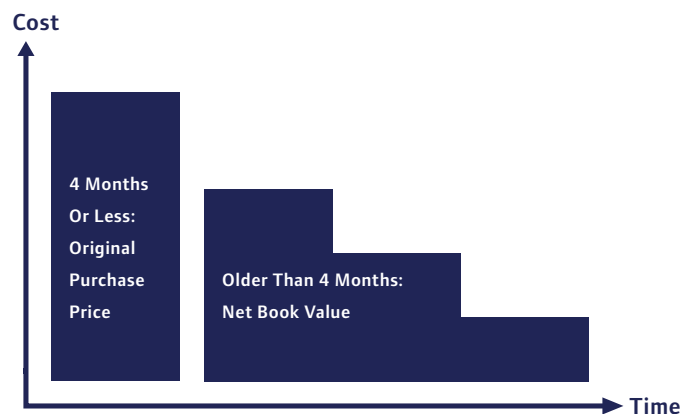


We offer a sale and leaseback solution on a wide variety of assets. If your asset is less than 4 months old, we can pay you the original purchase price. If the asset is older than 4 months; we can offer you the net book value of the asset. This solution can be structured either as a finance lease or an FMV lease.

By using our sale and leaseback process, you can raise capital by selling your existing assets to CHG. There is zero disruption to your business as you continue to retain all the benefits of usage yet transfer the risk of ownership and disposal to CHG.

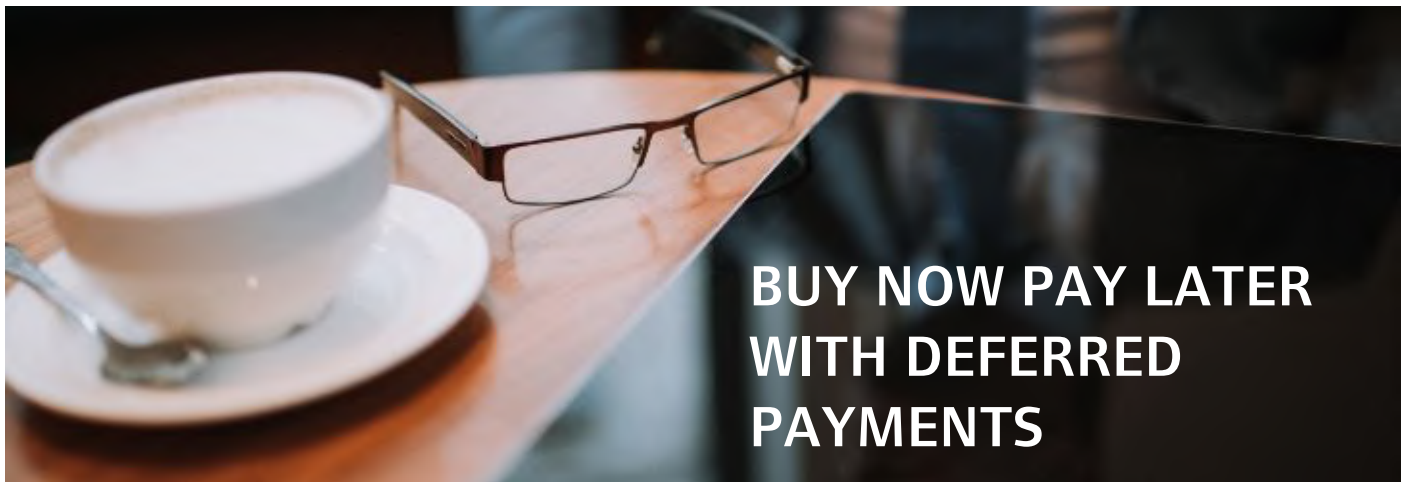
## ADVANTAGES

- Removes the costs and risks of ownership of assets that were previously capital investments
- Creates additional capital budget based on currently owned assets
- Alignment of depreciation, usage and useful life
- Generate cash
- Accelerate future projects
- Clear projection of budget with a linear rental stream
- Non-disruptive
- Provides fixed known costs throughout the term





# STRUCTURED FINANCIAL MODELS – Deferred Payments



## DEFERRED PAYMENTS

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

- A structured agreement can enable customers to acquire equipment today and defer payments in line with budgets.
- A deferred payment lease solution is available with an FMV 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 customer).

## ADVANTAGES

- Instant access to the latest IT equipment without the upfront costs
- Free up budget for other investments
- Provides you with the technology you need today, but with rentals deferred in-line with customer budgets

“In CHG-MERIDIAN we have found a partner who listens to our needs and can provide a solution tailored to the characteristics of our company. The collaboration has been established for a few years now, and I can say that we have achieved a good level of operational efficiency for meeting daily IT demands promptly.”

Giovanni Colombo, IT Manager South-East Europe,  
Atlas Copco

# FINANCING BENEFITS

Why should you integrate a finance solution into your core business?

## 1. LOWER TOTAL COST OF OWNERSHIP

The sum of the rentals will typically be lower than the capital cost of the equipment.

## 2. BE CREATIVE WITH YOUR BUDGET

Make your budget go further by deferring payments to match your budget alignment, allowing you to utilise precious cash reserves to fund other projects.

## 3. EFFECTIVE COST MANAGEMENT

Spread the cost of your chosen assets over their useful economic life.

## 4. LIFECYCLE REFRESH PROGRAMME

A finance solution provides a natural conclusion for your assets and presents a perfect opportunity to implement a replacement programme.

## 5. ACCURATE PROJECTIONS

Allows you to accurately forecast which equipment needs to be replaced up to 12 months before the lease end, allowing you to plan your equipment replacement requirements easily.

## 6. LOWER MAINTENANCE COSTS

With a regular refresh cycle in place, you can be sure your technology is up-to-date and therefore less likely to break down. Resulting in less downtime for you and your users.

## 7. MAKE THE REFRESH WORK FOR YOU

By aligning your assets useful life, you can increase your bargaining power with suppliers by ordering in bulk.

## 8. STAY ONE STEP AHEAD

In today's world, the latest gadget, invention or technological advancement always appears to be on the horizon. With our solution, you can stay up-to-date with all the latest technology and trends.

## 9. EASIER TO UPGRADE ASSETS

The assets can be upgraded during or at the end of the contract period.

## 10. INCREASED HARMONY

By having the latest innovations available to staff, you can ensure the best working environment possible.



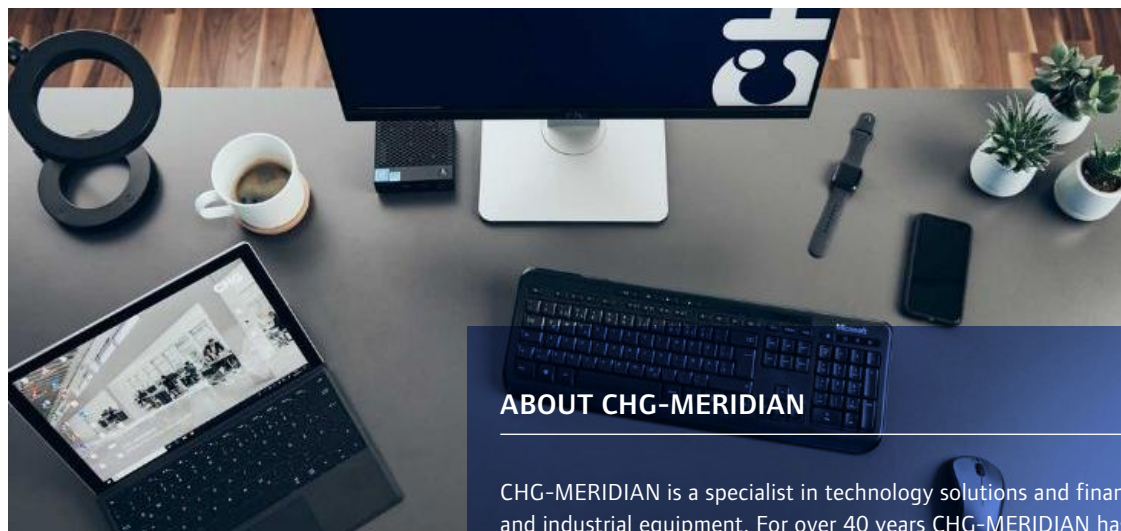
# PROCESS FLOW CHART

Working with CHG-MERIDIAN is pain-free and straightforward. Check out our process flow chart below, so you know what to expect when working with us.



# CHG-MERIDIAN

## EFFICIENT TECHNOLOGY MANAGEMENT®



### ABOUT CHG-MERIDIAN

CHG-MERIDIAN is a specialist in technology solutions and finance for IT, healthcare and industrial equipment. For over 40 years CHG-MERIDIAN has been helping customers save both time and money by providing them with customised financial solutions for their technology assets. CHG-MERIDIAN provides its customers with impartial, expert advice to support them in managing their technology lifecycle.

### CONFIDENCE WITH CHG-MERIDIAN

#### INDEPENDENCE

We are completely independent and are not owned by any manufacturers or banks. Therefore, we can provide you with unbiased advice and ensure you remain in complete control.

#### EXPERIENCE

For over 40 years, CHG-MERIDIAN has been helping a wide variety of clients save both time and money, by providing customised leasing concepts. By enabling our customers to move to an 'as a service' model, we can cover every aspect of the asset's lifecycle.

#### TRANSPARENCY

As we aren't bound to any banks, manufacturers or service providers we can offer a unique service all from a single source. Our customers rely on our impartial, expert advice to help support them in managing their technology lifecycle. Efficient Technology Management® - this is what we promise.

#### COMPETENCE

We work to ISO 9001 and ISO 27001 principles and are a member of the Finance and Leasing Association as well as a recognised lessor on several leasing and managed services frameworks.

#### INTERNATIONAL REACH

With a presence in 25 countries covering 4 continents, we can facilitate our service into one contract across multiple geographies and sites.

#### SINGLE POINT OF CALL

We provide a single point of contact for all of our customer's technology requirements. Whether it be an issue with the procurement of assets, the rollout of the assets, right through to the remarketing of your assets, we have a solution bespoke to you.

### 25 COUNTRIES ACROSS THE WORLD



#### Please contact us:

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