

The How-Tos of Financing



from Key Equipment Finance

Is your business bound by cash-flow constraints? Key Equipment Finance can give you access to the technology financing required to help you realize the full potential of your business. From computers and office furniture, to software and office technology, Key Equipment Finance allows you to break down large technology acquisitions into fixed, monthly payments. By providing fast, dependable financing that's easy to access, we can help you free up your cash flow, making it work harder for you in many ways.

The Benefits

Technology financing can be an essential tool for business success. Financing traditionally provides businesses with more control and more flexibility. Key offers a variety of lease terms and end-of-lease options to meet your financing needs. Plus, upgrading is easier, and, if you like, you can add hardware, maintenance, training, and professional services into your lease.

Key Equipment Finance professionals will work with you to customize the right solution. Here are some ways your business can benefit:

Improved cash-flow management

- Conserve capital for reinvesting in your business
- Improve budgeting accuracy through fixed monthly payments and no floating rates

Protection from owning outdated technology

- Match the length of the lease to the expected useful life of the technology product
- Easily upgrade your software/hardware solution

100% financing

- Qualified applicants can finance 100% of the cost and may include delivery, installation, service, and maintenance

Savings on down payments

- Avoid large payments with two advance payments

Easier financing than loans

- Avoid such requirements as compensating balances, large down payments, client list reviews, cash-flow projections, and the like

Potential tax benefits

- Some businesses are able to deduct monthly lease payments as an operating expense, thus reducing the net cost of the lease (consult your tax advisor for details)

FAQs about Financing

What is a lease? A lease, or an equipment-financing contract with Key Equipment Finance, allows you to acquire the business equipment you need by making fixed monthly payments to Key Equipment for the term of the lease. This affords you full use of the product without spending all of your capital by purchasing it outright. With leases you generally make only the first and last payments at the start of the lease.

Financing your technology solution in this manner allows you to choose the term of your lease – we offer flexible terms to qualified customers. Additionally, you can choose a flexible end-of-lease purchase option. Some of the benefits of financing include: better cash management, potential tax benefits, and the ability to avoid owning technology that might quickly become outdated.

FAQs continued

How do I qualify? Technology financing provided by Key Equipment Finance is available to business customers through participating Sage Software Business Partners. Credit standards may require the owner(s) to personally guarantee the lease. We do not offer financing to individuals for equipment intended for personal use.

How do I apply? If you are a new or existing lessee of Key Equipment Finance, you can apply directly by contacting Stephen Interlicchio at 800-523-3398.

What information will I need to provide on the lease application? You will be asked to provide the following:

- Information for the vendor who is supplying your solution, including: vendor name, address, phone, and contact information.
- Your general business information, including: legal business name and address, contact name for the person executing the lease, guarantor information, estimated equipment cost or total estimated lease amount, and the equipment location.

What kind of technology can I finance? You can finance a broad range of technology, including hardware, software, seat licenses, maintenance, and training.

What terms are available? Key offers lease terms of 24, 36, 48 and 60 months. Other options and customized terms are available to qualified applicants.

What purchase option is available?

- Our \$1.00 Purchase Option lease allows you to purchase the software/hardware at the end of the term for the nominal charge of \$1.00.

End-of-lease options may vary depending on the products financed. Speak with your sales representative for more details.

Can I include soft costs and services on a lease? Yes, Key Equipment Finance will finance 100% of the soft costs being financed. These soft costs and services might include: delivery, installation, service, and maintenance.

What is the difference between a lease and a loan? A lease is a contract wherein a financial provider lends a lessee the use of the technology, and the lessee pays the lessor a fee for this usage. Financing technology, in this manner provides such benefits as: better cash management, potential tax benefits, and the ability to avoid owning technology that might quickly become outdated.

Business loans are used to acquire and access cash for major purchases or business expenditures. As with leases, loans are paid back with fixed payments over a fixed period of time. Banks offer customers various loan products, but applicants are often required to provide compensating balances, large down payments, client list reviews, and cash-flow projections. Such loans are required to be secured by collateral, such as a house, a car, stocks, or bonds.

Are advance payments required? A nominal documentation fee and two advanced payments are required for most leases.

What will my rate be? Your rate will be based on a number of factors, including: equipment type and cost, length of the lease, and the end-of-lease option that you select. Once your rate is determined, it will be fixed for the term of the lease.