

## FINANCING SOLUTIONS TO MEET YOUR NEEDS AND YOUR BUDGET.

Laubress offers you the ability to finance your UMT Software purchase by entering a leasing agreement for a period of 2 to 5 years with the option to own the software after the lease is over.

FOR INQUIRIES PLEASE CONTACT INFO@LAUBRESS.COM OR CALL 1-866-526-8040

### ADVANTAGES OF LEASING TO LESSEES

**Protection against obsolescence:** Leasing permits you to exchange or add software at any point during the term of your lease. It allows you to stay at the forefront of technology.

**Provides a hedge against inflation:** Leasing is a protection against inflation. Hence, if you pay \$500.00 per month today, you will always pay that monthly payment over the term of your lease. It will, therefore, be easier to make your payments as time goes by. You pay the future use of your software with a devalued dollar of tomorrow.

**Maintain your working capital:** Leasing allows you to maintain working capital and to use these funds in a more profitable manner. You can, therefore, take advantage of the latest technology, without putting the company in a negative cash position.

**Preserve your line of credit:** Leasing allows you to preserve your line of credit with the bank. You can, therefore, benefit from a higher credit ceiling than you would realise solely at your bank.

**Simplified budgetary controls:** When the cost of software is known and fixed in advance, the budgets of various departments can easily be forecasted, as can the profitability of various marketing plans, allowing your company to make more informed and accurate decisions.

**Simplified bookkeeping:** The monthly payments of a lease can be distributed easily to the respective department. You need not prepare complex depreciation schedules for your software.

**Fiscal advantages:** Lease payments are entered in your accounting records as a monthly operating expense (rather than a capital purchase, which becomes a capital asset in your financial statement). The monthly lease payment, therefore, becomes a 100% deductible, monthly operating expense. The tax advantages are taken monthly rather than at year-end.

**Commercial value:** Would you pay an employee one-year in advance? This is what you do when you pay up-front for your software. Leasing allows you to pay for your software as you use and obtain revenue from it. As your payments remain fixed over the term of your lease, your dollar is protected against inflationary pressures and your financing becomes insensitive to fluctuations in interest rates.

**What could you ask for more?:** Purchasing new software, without affecting your borrowing power, without investing and by taking advantage of existing tax laws.

### LEASING QUESTIONS AND ANSWERS

#### Isn't it cheaper for me to pay cash ?

When you purchase software, there is a loss in the earning power of that up-front cash payment. For example, if the net profit on working capital is 15 percent, then you lose 15 percent a year. Leasing gives you the use of your money and the use of the software you need, so you can pay for the software out of earnings over time rather than putting up equity capital all at once.

#### Are there any up-front costs or application fees ?

Other than a nominal documentation fee, there are no application fees and no traditional down payments required. Advance monthly payments may be required depending upon the amount of the lease. We will work with your software supplier to structure the deal so that it is most beneficial to cash flow situation.

#### Is leasing similar to leasing a car ?

Yes. It's the same concept. You pay for the software as you use it. As your software becomes obsolete, in most cases, you retain the flexibility to upgrade to more current technology.

#### What happens to the software at the end of the lease term ?

It's your choice. Many of our leasing programs can be structured to give you the option of purchasing it for \$10.00, for an agreed upon percentage of the original cost, or at fair market value or returning the software to us.