



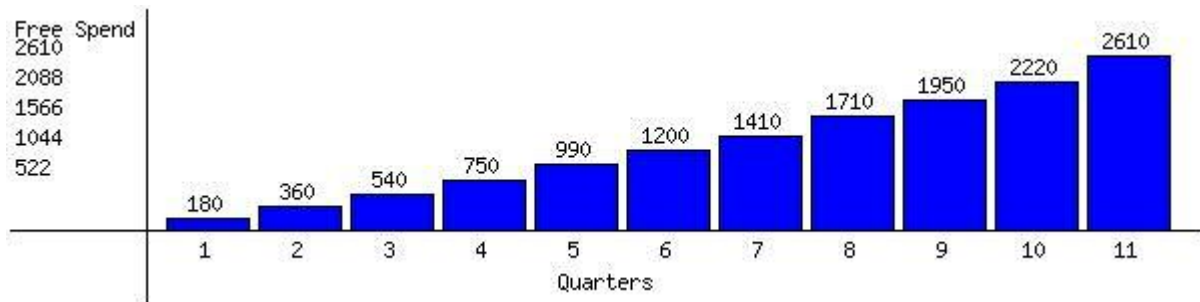
3 Year Rental Option

Presented for Customer

it4 Ltd are constantly adapting to our customers needs. In line with this, the it4 Ltd Rental Option has been introduced. This ensures our solutions provide your company with demonstrable increases in productivity and service without the usually high initial investment. The monthly repayments for your particular requirement are outlined below;

Term	Monthly Cost
3 Years	£105 plus vat

Our Rental Option incorporates an upgrade path which enables you to add further hardware, software & services during the term of the agreement without necessarily increasing the monthly repayments. This is achieved by simply extending the term of the agreement at the time when the new equipment is acquired, to take account of the increased lifespan of the enhanced system. Based on the solution you are considering, the value of additional equipment which could be added to your agreement is outlined on the graph below (subject to changes to interest rates), min value of upgrade £1000;



In addition, as our documentation is designed to enable your rentals to be classed as a revenue expense (subject to auditor approval), this provides significant tax benefits. These benefits, when taken in conjunction with the additional revenue you could generate by maintaining the capital in your business, present a major saving.

With regard to the saving that could be made through utilising this option, this can be summarised as follows;

RENTAL COST		Total Cost	Customer Assumptions	
Rentals	£3,769		Corporation Tax Rate	19%
Tax Saving	£716		Return on Capital Employed	15%
Net Present Value	£2,746	£2,746	Discount Rate	10%
CASH COST			Capital Allowance	40%
Capital	£3,000			
Tax Saving	£378			
NPV	£2,670			
Return on Capital Employed				
NPV of opportunity cost of not	£407			
Investing spare cash in company		£3,077		
Customer Net Saving		£331		

All figures are quoted for indicative purposes, assuming payment of 3 rentals upon installation, an initial administration charge and credit and documentation approval.