

QUICK GUIDE

TO ADDRESSING FINANCING OBJECTIONS AND COMMON QUESTIONS

Use these talk tracks to help educate your customers who have questions or objections around a finance payment. Reach out to us if you're experiencing other frequent questions or objections and we'll help guide you through those discussions (and update our list!).

We don't finance technology.

Response: This technology is the perfect opportunity for you to try financing. We work with many companies who finance for the first time with us and love the benefits. Those same customers preserve their cash and enjoy a budgeted monthly payment that allows them to keep their equipment current.

Financing costs more than paying cash.

Response: Many times, the reward from investing your cash rather than spending it on new technology makes financing a better option than paying cash. When you pay cash for the system, it continues to depreciate. If you use that cash to invest in growing your business, you will often earn back more than you will pay on finance charges.

We only want a \$1 buyout lease and to own the equipment.

Response: The \$1 buyout option does have benefits including Section 179 tax breaks and owning the equipment at the end of the agreement. You should also consider the benefits of both a Fair Market Value (FMV) and rental option and then make the decision that best suits your needs.

FMV and rental options have a lower monthly payment. The FMV lease has more flexible options at the end of term. You can return the equipment, upgrade, or purchase the equipment at the fair market value set forth in the agreement. With GreatAmerica—Office Equipment Group, the end of term FMV won't go above 15% of the original equipment cost.

I only want an operating expense.

Response: Our rental option is typically considered an operating expense for tax purposes. Check with your tax adviser to find out if you'll be allowed to treat the rental as a day-to-day expense and get all the benefits of an operating expense.

Your monthly payment is higher than your competitors.

Response: If you are comparing only the monthly payment, it could appear that way. Know that many banks and financial institutions have hidden fees in their finance agreements. Those fees can include locked-in renewal payments (some up to a year), fees to process taxes, interim rent, and inflated Fair Market Value residual pricing at the end of term. GreatAmerica does not have hidden fees in their agreements and puts this in writing.

What if I want to add equipment to my agreement?

Response: No matter which finance option you choose, adding equipment to your lease throughout the finance term is simple. This will allow you to get the equipment you need now and be prepared for future growth.

Why should my company finance new technology?

Response: Financing preserves cash, protects credit lines, and may also be eligible for tax benefits. It also helps you budget monthly expenses.

Should we buy and own our new technology?

There are some cases where outright buying equipment makes sense, but at the rate technology is evolving you may end up owning an obsolete system. Ask yourself these two questions to determine whether financing is right for you:

1. Is there a better use of your cash or credit lines? Many companies use cash to hire new employees, invest in marketing and future company growth, or for unforeseen emergencies.
2. Are you prepared to make another capital investment to upgrade this system in 3-5 years?

Financing puts you on a monthly budget, and by the time the system is outdated, you will be able to upgrade an already budgeted item while keeping a comparable monthly payment.

Is financing only for large enterprise companies?

According to the Equipment Leasing & Finance Association, 7 in 10 businesses in the United States use some form of financing to acquire equipment (excludes credit cards). Financing provides benefits to businesses large and small.

How much money will I have to put down?

We have relationships with financing companies that provide financing with no money down on most transactions. Bank loans or credit lines will often require money down to initiate the transaction.

Progressive Solution Providers Need Progressive Financing:

Technology Providers innovating their offerings through Managed IT Services and beyond need a financing resource with progressive solutions to meet the modern buyer's needs.

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