

Financial Solutions

Installment Purchase Agreement

At a Glance:

- Reduce up-front investment when purchasing IT solutions.
- Maximize tax depreciation benefits and match payment terms to the useful life of technology.
- Gain flexibility with a remit or return (ROR) final payment option that makes timely technology disposal easy.

Position Your IT infrastructure for the Future of Your Business

The rapid growth of applications, combined with increasingly powerful, decreasingly expensive IT solutions, has heightened many organizations' focus on refresh timelines. Forsythe's new Installment Purchase Agreement (IPA) helps you match your financial commitment to purchased IT solutions with the true, useful life of these solutions. To achieve this balance, Forsythe helps you ensure that each IT solution arrives and departs on a schedule optimally aligned with your business needs. Whether you choose to buy or lease IT solutions, Forsythe's goal as an independent advisor is to assist you with the lifecycle management of these important assets. With IPA, you pay only for the fair market value your business consumes, while proactively positioning your business for a timely, cost-effective technology refresh.

Benefit from Tax Changes Affecting Assets Purchased in 2008

The IPA allows your organization to enjoy the tax benefits of owning a new technology solution from "day one" of your purchase. At the same time, you gain the operational advantages traditionally associated with a lease.

With the IPA, you can use funds from a capital budget to buy a solution with specified "refresh" terms that are based on the needs and schedule of your business, not on preset, accounting write-down rules. In addition, you can take advantage of title and tax depreciation rights (accelerated in the 2008 Federal Economic Stimulus Package) without the risk that your assets will become functionally obsolete during the depreciation period. These rights include a 2008 Modified Accelerated Cost Recovery System (MACRS) depreciation of 60% and additional benefits in 2009.*

Reduce Costs

Forsythe's new IPA lets you take advantage of your capital budget and reduces up-front and long-term costs when purchasing a technology solution. Benefits include:

- Lower cash outlays and payments that reflect the market value of your use of an IT solution.
- The flexibility of prepaid, monthly, quarterly, annual or custom payment structures.
- Provisions that allow your organization to return equipment to Forsythe in lieu of making the final payment.

As part of Forsythe's commitment to your business, our financial products feature six-month pre-expiration notices, as well as user-friendly expiration, return, and renewal terms.

Get More from Your IT Investment Dollars

By optimally aligning your IT financing and procurement solution with your technology and budgetary requirements, your organization can reduce the total cost of ownership (TCO) of assets and still have the flexibility to refresh assets as needed. For these purposes, total cost of ownership is defined as the sum of acquisition cost, maintenance cost, support cost and environmental cost.

Incremental IT investment and SLAs

Incremental IT asset investment is needed to maintain an optimal business environment—including SLAs. A timely refresh allows IT performance levels to meet current business needs—including improved SLAs.

The Forsythe Approach

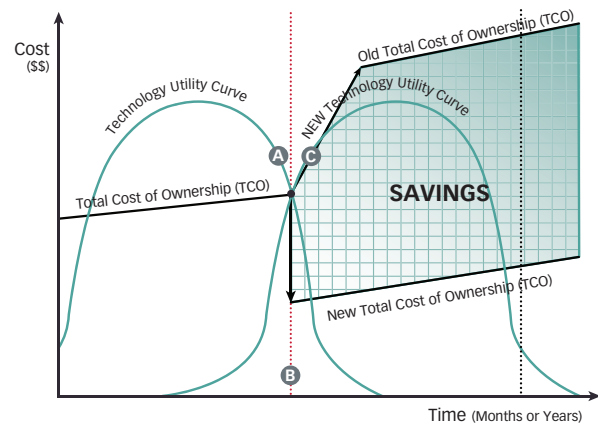
Forsythe brings over 35 years of experience to helping companies effectively manage technology, reduce costs, and succeed in a competitive marketplace.

Our unique approach to leasing and purchase plans provides customized solutions that give you the decision making flexibility necessary to meet the changing needs of your business.

To learn more about Installment Purchase Agreements, visit us at www.forsythe.com.

*PLEASE NOTE: Forsythe does not offer or provide tax or accounting advice and is not responsible for tax or accounting decisions made by or on behalf of other organizations. Discuss any decision that may have tax and accounting implications for your business with your company's financial and legal advisors.

IT Investment Cycle



Optimal IT Utilization: The way to optimize your IT investment cycle is to continually phase shift your Technology Utility Curve while optimizing your Total Cost of Ownership (TCO).

Total Cost of Ownership (TCO): Total Cost of Ownership (TCO) = the sum of acquisition cost, software cost, maintenance cost, support cost and environmental cost.

Point A: As time passes and business requirements change, the utility of an asset (its performance and level of manufacturer support) diminishes while its cost of ownership (TCO) increases—a result of higher operating expenses and the incremental investment needed to maintain Service Level Agreements (SLAs).

Point B: A timely IT refresh enables a reset of performance levels to meet your current business needs—including SLAs. In addition, it offers a transformational framework for the introduction of new applications and a decrease in operating and support costs.

Point C: An IT refresh lowers your Total Cost of Ownership (TCO), creating long-term savings and increased utility—including improved SLAs.

Get the Forsythe Advantage.

For more than 35 years, Forsythe has delivered forward-thinking advice, technology, and operation-enhancing solutions. As an independent advisor, Forsythe can help you address every aspect of your infrastructure, including how new solutions may affect the bigger picture. Working with every major provider, Forsythe acts as your single point of contact for managing the cost, effectiveness, and risk related to your information systems.

Let Forsythe Help.

Business objectives — and business issues — don't exist in a vacuum. Forsythe identifies and addresses IT interdependencies to deliver solutions that work across your enterprise. Call us today.

