



# Your Source for Financing

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**Investing In Your Business?** Deciding to acquire new equipment without examining your finance choices can limit your long term business options

**New Instruments For Less Capital:** Options to Own, Refresh or Return equipment to meet your business plan and maintain net worth

**More Than Just Tax Advantages:** Extra capital means larger cash flows for your business and greater gains for business sustainability

## **Financial Plans:**

- **Rental With Equity:** Access to equipment to generate income while waiting for capital. Low monthly payment with high equity accumulated towards purchase or lease.
- **Ownership Program:** Low cost for long term usage, 12-60 month options providing ownership of the equipment at end of term with 10% buyout.
- **Technology Advantage Program:** Refresh your equipment every 12-36 months with the newest model. Only pay for a portion of the cost and continue to have state of the art equipment bringing in revenue.

## ***Advantages of K'(Prime) Financing***

<b><i>Finance Path</i></b>	<b><i>Purchase Path</i></b>
Smaller monthly payment to bring in equipment	Large upfront payment to bring in equipment
Tax Savings covering entire investment	Pay taxes up-front as applicable
Greater Cash On-Hand for business	Less Cash On-Hand for business
Acquire equipment assets with small amount of funds and expense those funds 100%	Acquire equipment assets with large amount of funds and depreciate those assets
Increased options for future instruments with new leases or Technology Advantage Program	Another large up-front payment for future instruments
Cash inflow can be used to match lease payments	Required to pay entire amount up-front
Extended warranty can be added to payments	Extended warranty is paid up-front

## *Income Based Case Study: 24 month Operating Lease*

Term (months)	System Price	Monthly Payment	Total Payments	10% Buyout
24	\$100,000.00	\$4,340.00	\$104,160.00	\$10,000.00

Company \$/Sample	Company Samples/day	QC/Cal/Check	Paid Samples/day	Income/Day	Income adjusted for 25% re-run
\$60.00	100	15	85	\$5,100.00	\$3,825.00
		<b>Income Analysis</b>	<b>Income (5 x 49 weeks)</b>		
		<b>Total after 2 year(s)</b>	<b>\$1,874,250.00</b>		
<b>Regular Business</b>		<b>Financing Path: <i>Operating Lease</i></b>		<b>Purchasing Path</b>	
		Investment	\$114,160.00	\$100,000.00	
		Gross Income	\$1,760,090.00	\$1,774,250.00	
		Operating Expenses (64% of income)	-\$1,199,520.00	-\$1,199,520.00	
		Operating Profit	\$560,570.00	\$574,730.00	
		Income tax	-\$148,551.05	-\$152,303.45	
		Net Profit	\$412,018.95	\$422,426.55	
		Purchasing another system after 2 yrs	-\$4,340.00	-\$100,000.00	
		<b>Cash On Hand</b>	<b>\$407,678.95</b>	<b>\$322,426.55</b>	
		Company assets after 2 year(s)	\$60,000.00	\$135,000.00	
		<b>Networth</b>	<b>\$467,678.95</b>	<b>\$457,426.55</b>	
		Income Model	Delta in Net Profit	-\$10,407.60	
			Spread over 24 mths	-\$433.65	
		Networth	Delta in Networth	\$10,252.40	
<b>Small Business</b>		<b>Financing Path: <i>Operating Lease</i></b>		<b>Purchasing Path</b>	
		Investment	\$114,160.00	\$100,000.00	
		Gross Income	\$1,760,090.00	\$1,774,250.00	
		Operating Expenses (64% of income)	-\$1,199,520.00	-\$1,199,520.00	
		Operating Profit	\$560,570.00	\$574,730.00	
		Income tax	-\$75,676.95	-\$77,588.55	
		Net Profit	\$484,893.05	\$497,141.45	
		Purchasing another system after 2 yrs	-\$4,340.00	-\$100,000.00	
		<b>Cash On Hand</b>	<b>\$480,553.05</b>	<b>\$397,141.45</b>	
		Company assets after 2 year(s)	\$60,000.00	\$135,000.00	
		<b>Networth</b>	<b>\$540,553.05</b>	<b>\$532,141.45</b>	
		Income Model	Delta in Net Profit	-\$12,248.40	
			Spread over 24 mths	-\$510.35	
		Networth	Delta in Networth	\$8,411.60	