

ShoreTel Financial Services



Flexible options to help you optimize your investment in unified communications



BENEFITS

- Option to replace outdated equipment at any time
- Enjoy maximum flexibility with no financial penalties
- Preserve capital for other business investments
- Receive favorable tax treatment on your technology investment

Financing made easy

As the telecommunications field changes rapidly, how you acquire your technology is just as important as what you acquire. It's essential to have the flexibility to change yesterday's contract to meet today's needs. That's why ShoreTel Financial Solutions offer three options: FlexGuard™, \$1 Out, and Fair Market Value (FMV) leases—all powered by TAMCO financial services. Each can save your business money, while providing an affordable way to acquire the equipment necessary to stay ahead of the competition.

When changes occur, you're protected with FlexGuard

When the company is growing or needs are changing, you need a lease with terms that work with you. When changing or adding equipment, most leasing companies require a new lease. Adding phones, features, or components, typically results in creating a new term and end date. With FlexGuard, add-ons are always co-terminous with the existing contract. Further, if your business needs change or technology changes, ShoreTel's System Replacement Guarantee protects you from penalties, rollover fees and hidden costs.

FlexGuard incorporates the advantages of both renting and leasing. The program's monthly cost is simply a right-to-use fee. So you can choose equipment that accommodates your business as it grows or changes.

If you keep the equipment for the entire FlexGuard contract period, you have four options: renew at a reduced monthly rate and retain the System Replacement Guarantee, purchase for the fair market value and finance the purchase, replace the system, or return it—all with no financial penalty. If you decide to include a maintenance contract, FlexGuard offers a multiyear maintenance bundle with attractive pricing.

Receive more than tax benefits for your business

FlexGuard also offers many tax/book benefits. The FlexGuard program is structured to qualify as off-balance sheet financing and the monthly payment is fully deductible. This allows you to preserve your cash and credit lines. FlexGuard's safety, cost-effectiveness, and flexibility make it possible for your business to benefit from the best that technology has to offer.



COMPARATIVE ANALYSIS				
	FlexGuard	\$1 Out Lease	FMV Lease	Cash Purchase
Number of months	60	60	60	60
Monthly payment	\$719	\$555	\$510	
System solution price				\$25,000
Present value of payments	\$33,840	\$26,121	\$24,003	
Total support & maintenance costs	**	\$8,709	\$8,709	\$8,709
Residual payment		\$1	\$3,105	
Tax deduction on payments	(\$11,844)	(\$2,455)	(\$8,401)	
After-tax interest on cash	(\$2,649)	(\$2,649)	(\$2,649)	
Tax deduction on maintenance		(\$3,048)	(\$3,048)	(\$3,048)
Depreciation tax savings		(\$6,634)		(\$6,634)
Net after tax PV cost	\$19,347	\$20,055	\$21,719	\$24,027
Assumed system replacement cost*	\$0	(\$16,650)	(\$15,300)	(\$12,500)
Off balance sheet	True	False	False	False

Terms and conditions of all financing options subject to final contract between Customer and TAMCO corp
 * Assumption based on a complete system replacement at the midpoint of term.
 ** Support is included in the monthly payment.

How do the different financing options compare?

It pays to compare our popular Financing options

To help you decide the financing option that's right for your business, compare FlexGuard, \$1 Out and Fair Market Value (FMV). The \$1 Out program allows you to purchase the equipment for one dollar when your contract expires, but it does not qualify as an off-balance sheet item. The FMV lease usually qualifies as an off-balance-sheet item and enables you to purchase equipment for fair market value, or return it at contract's end.

Different programs, different end-of-term options

ShoreTel Financial Solutions leases offer a variety of end-of-term options. The \$1 Out Lease obligates you to purchase the equipment for one dollar at the end of the lease term. The FMV Lease provides more flexibility. You can return the equipment to the lessor, purchase it for "Fair Market Value," or continue to lease for an additional term. Either way, you are ultimately responsible for the balance. FlexGuard provides all the end-of-term options of an FMV Lease, plus it guarantees, in writing, a specific reduction in payments if you choose to extend your contract.

ShoreTel makes financing easy

Which option is right for you? We encourage you to explore all the possibilities before making a decision. When you decide what to buy, ask your ShoreTel financing expert about all the purchase options available. They can provide you with Net Present Value Comparative Analysis, demonstrating how each solution—Cash, \$1 Out, FMV, and FlexGuard—affects the cost of doing business. To find out more about what makes ShoreTel Financial Solutions such powerful business tools, contact your ShoreTel sales representative.

About ShoreTel

ShoreTel is a leading provider of *Pure IP* unified communications solutions that enable companies of any size to seamlessly integrate voice, video, messaging and data with their business processes. Independent of device or location, ShoreTel's unique distributed software architecture eliminates the traditional costs, complexity and reliability issues inherent in other solutions. Founded in 1996, ShoreTel has achieved broad industry recognition for this proven technology, and continues to deliver the highest levels of customer satisfaction, ease of use and manageability while driving down the overall total cost of ownership. For more information, visit www.shoretel.com.



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