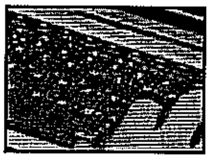
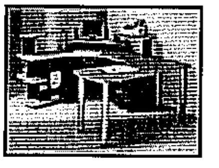
Products and Services

PLATINUM DIRECT FINANCE

EQUIPMENT AND BUSINESS FINANCE





In today's market, many clients and businesses are not aware of the variance in rates, service, and the terms and conditions of finance contracts.

Platinum's extensive knowledge and experience with these institutions can assist in providing all the relevant information required in choosing the correct product, and contract structure.

PRIMARY FINANCE PRODUCTS

- *RENTAL / OPERATING LEASE*

  This finance product is well suited to equipment that is considered to have high obsolescence and clients who upgrade their equipment at regular intervals ie 2-5 years. There are also multiple tax advantages to using this product to finance equipment.

- *FINANCE LEASE*

  This finance product is a tax effective tool in acquiring equipment. It enables clients to pay for the equipment over time with numerous tax benefits, and pay a fixed residual to own the equipment at the end of term.

- *COMMERCIAL HIRE PURCHASE (CHP)*

  this product enables clients to repay the cost of the goods over a fixed period, thus allowing a better cash flow situation for the business. A Balloon payment can be requested, which reduces the monthly repayment for the business. Tax implications are also associated with this finance type.

- *Chattel Mortgage*

  This product is similar to a CHP, as you claim depreciation and interest expense. However, where it differs to the CHP, is that "title" of the equipment is transferred on purchase (under a CHP, "title" is not transferred until the last payment is made). As a result, the GST on the purchase can be claimed in the current BAS.

OTHER FINANCE PRODUCTS

- *Novated Leasing*
- *Business Sale and Lease Back*
- *Business Private Sale Finance*

Advantages of Finance to Customers...

PLATINUM DIRECT FINANCE

The advantages of finance are not just limited to equipment salespeople, rather companies choose to use finance to benefit their own business. Below are multiple reasons businesses use finance:

- **EARLIER PURCHASE OF EQUIPMENT**

Many companies simply do not have the funds to purchase equipment and therefore lose productivity and consequently revenue and profit. Therefore, businesses use finance to purchase equipment they could not have otherwise afforded. This enables them to reach their desired levels of profit and productivity.

- **IMROVES CASH FLOW**

In other circumstances, businesses may have cash reserves to purchase equipment. However, in today's competitive business environment, almost all industries are experiencing reduced profit margins and are required to manage cash flow very carefully. Therefore the decision to use cash to purchase depreciating assets (such as office equipment), is being replaced by the decision to finance the purchase of equipment. This leaves cash available to inject into the growth of the business ie higher quality staff, better conditions, better quality products, research and development... the list is endless.

- **TAX ADVANTAGES**

Finance has become such an integral part of business that the tax department recognizes the costs associated with financing. Therefore, companies are able to claim either the payments or the interest and depreciation (depending on the finance type) as an expense to the business. This is obviously of great benefit to business, as this ultimately reduces the tax they are required to pay at the end of the financial year.

PLATINUM DIRECT FINANCE

- **OBSOLESCENCE**

Due to the nature of most equipment, upgrades are required on a some-what regular basis. Consequently many companies choose to spread the cost of the equipment over the life of the equipment (ie 2-5years). When the contract has expired and equipment is obsolete, they simply purchase new equipment on finance and enter into a new contract.

- **CAPITAL EXPENDITURE LIMITATIONS**

Many companies and larger organizations (ie government, non-profit) are limited to purchases by the provision of capital expenditure budgets. The use of finance can quite often be structured so that the customer can acquire the equipment and still fit within their budgets. Outright purchase of equipment will regularly constrain businesses on the time at which they purchase. Finance can alleviate this problem.

- **FLEXIBILITY TO MEET CUSTOMER NEEDS**

All businesses are different and have different needs. Some businesses are seasonal, therefore required structured pricing to suit the seasonal revenues of their business. Some other businesses require the contracts structured to help achieve taxation objectives... What ever the reason, finance can usually be structure to achieve the goals of the customer.