

Lease Phone Options

The CBTS IP *Phone Model Feature Price List* provides the *eligible* list of approved equipment for the four main Equipment Service Options that are available. *Note: Equipment models not listed on the IP Model Feature Price Catalog are considered outside this agreement and are ineligible for all service options listed below.*

CBTS offers leasing through CBTS Financial Services (CBTS FS). The following options are available to each agency. They include the following:

- **Lease CB (LCB)** – A lease is a contractual arrangement that provides telephony equipment and devices for a monthly payment per item. In this arrangement the *Lessee* (State User) pays the *Lessor* (CBTS FS) for use of an asset.
- **CBTS Purchase** – Each entity has the option to purchase the equipment from CBTS.
- **Source Purchase** – Each entity has the option to purchase equipment from an outside vendor. However, equipment and devices are limited to those that are specified on the *authorized IP Model Feature Price Catalog*.

The *Fair Market Value* purchase option does not provide the purchase price in advance, but as long as the assessed fair market value is accurate, the consumer will not overpay for the asset and the lessor will not receive less than the asset is worth. The right, but not the obligation, to buy a leased asset at the end of the lease term for a price represents the item's then-current worth. [Investopedia.com]

Phone Service Option Selection (Example)

Consult the new URL at annual lease payments that are based on Fair Market Value.

Cost

Phone Type	Proposed Model	Unit Purchase Price plus Smartnet	Monthly Budget Lease Payment	Lease Term Period (5-years)
Basic	Cisco 6941	\$103.35	\$1.52	60 Months
Mid-Range	Cisco 8941	\$165.75	\$2.44	60 Months
High-End	Cisco 9971	\$462.15	\$6.80	60 Months
Wireless IP	Cisco 7925G	\$317.85	\$4.56	60 Months
Conference	Cisco 7937	\$544.05	\$8.34	60 Months
Administration	Cisco 8961	\$234.00	\$3.44	60 Months

Phone Lease Options

The minimum total dollar amount for each lease schedule is \$20,000.00 per total value.

The lease pricing provided is based upon CBTS FS's cost of funds (interest rate). In the event CBTS FS cost of funds changes before the acceptance the proposed Lease Schedule, the pricing may be adjusted to reflect this change.