

Reduce the cost of renting  
your kitchen equipment to  
only a few dollars a week



SILVER | C H E F

Rent • Try • Buy™

- Fully tax deductible rental payments
- Upgrade your equipment with no penalties
- No Directors' Guarantee
- New and reconditioned equipment available
- Buy at a discounted price anytime you like

# The advantages of the Rent • Try • Buy™ Alternative



The Silver Chef Rent • Try • Buy™ Alternative is perfect for restaurateurs who want to free up their finances, avoid Directors' Guarantees, and give themselves the ultimate flexibility to arrange their kitchen the way they want.

Unlike leasing, you're not putting your house on the line

and reducing your ability to borrow. You're also not locked into a four-year term that inflicts harsh penalties if you ever need to change your setup.

And, unlike buying your equipment outright, you're not outlaying a huge amount of cash straight away. You can minimise the cost to your business, and retain the option to buy if everything works out for you.

In fact, you'll discover that you can get all the flexibility of renting for only a few more dollars than if you'd purchased it in the first place!

That's why the Silver Chef 12-month Rent • Try • Buy™ Alternative is so popular with people who don't want to compromise on equipment quality, yet want to save money and increase the flexibility of their business setup.

## How you can rent for just a few dollars a week

The Combi-Steamer Oven in the attached example is available for a low \$115.38 per week.

However, Silver Chef offers much more than a low rental price. When you rent using the Silver Chef Rent • Try • Buy™ Alternative, you also receive a loyalty bonus.

At the end of the first 12 months, you receive a 75% rebate based on the rent you paid through the year if you choose to buy your equipment.

The revised purchase price of \$6,500 amounts to a substantial discount — just 65% of the original purchase price.

Clearly, renting your equipment is going to free up a lot of working capital for that critical first 12 months. But, in addition, there is a 'hidden' tax benefit that brings your rent down even further.

Because rent is 100% deductible, it represents a 30% saving at company tax rate — that's a saving of 30% on rental payments made.

And, in the case of the example below, the real cost of holding the appliance is a low \$700.

So, if you choose to buy your equipment after the 12 months, you'll discover you've really only paid a little more than if you'd bought the equipment outright in the first place.

## Combi-Steamer Oven

Cash Price	\$10,000.00
Weekly Rent	\$115.38
Purchase Price at the end of Year 1	\$6,500.00
*Total Net Rent • Try • Buy™	\$10,700.00
Rental cost of ownership	\$700.00

\* RTB: Nett rent after tax savings plus buy-out price added.

**Nett rental cost of ownership is only 7%.**

A refundable security bond of an amount equal to 13 weeks is required with the signed agreement.

## Unrivalled flexibility at almost no extra cost

If you want to continue renting, we simply continue to reduce the purchase price for you.

You can also upgrade your equipment at any time and, if you do decide to purchase, the price just gets cheaper the longer you rent.



Even better, if after the first 12 months things haven't worked out as you expected, you can hand the equipment back. No questions. No penalties.

### Now you really can grow your business with the wisdom of hindsight

Setting up a new kitchen, or even upgrading an existing one, is a big expense that can chew up a lot of capital.

And outlaying tens of thousands of dollars in upfront equipment purchases or locking yourself into long-term leases would be fine and dandy if you had a crystal ball on hand to tell you what your sales and income will be for the next year.

No amount of crystal ball gazing will tell you what the future holds, but with Silver Chef's Rent • Try • Buy™ Alternative, you can operate your business for 12 months, find out what works and what doesn't and only then do you need to make the decision to outlay your hard-earned money on purchasing equipment.

If things haven't worked out as you expected, then you have complete flexibility to return the equipment with no penalties.

Speak to a Silver Chef Dealer, and ask how the Silver Chef Rent • Try • Buy™ Alternative can work for you.

### Why you shouldn't tie-up your valuable capital in catering equipment

Generally speaking, your scarce capital can be invested in only three areas: plant and equipment, working capital, and business development.

Accordingly, at Silver Chef, we recommend you rent the catering equipment — leaving your valuable capital free for investment in business growth (and working capital).

### The case for renting (as opposed to leasing)

If you've made the smart decision not to tie up capital in catering equipment, you now must weigh the option of renting against the more common financing option: leasing.

While leasing may look like a good idea at first glance, you need to take into account the full impact leasing kitchen equipment will have on your business.

Leasing requires Directors' Guarantees — which puts your personal assets (your home) on the line. **Our rental agreement does not require Directors' Guarantees.**

A lease is a balance sheet item — which reduces your equity, your ability to borrow and, accordingly, your availability of working capital. Rent is an off-balance sheet item (like salaries or electricity). This means that rental contracts have no impact on your equity, or on your ability to borrow.

A lease requires a lot of paperwork and binds you into a four-year contract. This contract makes it difficult to trade or sell your equipment when it comes time to upgrade your kitchen. A Silver Chef Rent • Try • Buy™ agreement involves minimal paper work, meaning you can get the equipment you need immediately — and upgrade whenever it suits.





As you can see, renting offers a level of flexibility that neither purchasing nor leasing can match.

If you'd like to learn more about how our equipment rental option can improve your availability of working capital — and, accordingly, increase the rate of growth of your business — speak to your Silver Chef Dealer.

**Remember, it's the use of the equipment — not the ownership that makes your business profitable.**

### Who is Silver Chef?

Silver Chef Limited is a public company listed on the Australian Stock Exchange. Silver Chef was originally established in 1986 to serve the restaurant equipment industry.

With a wealth of experience in the food service equipment industry (since 1986), the Silver Chef team possesses a comprehensive understanding of the challenges faced by restaurant and food catering businesses.

The company understands how the traditional finance company 'third degree' simply frustrates and impedes clients who are seeking a simpler way of doing business.

The Silver Chef Rent • Try • Buy™ Alternative allows restaurateurs and catering business owners to secure the kitchen equipment they need with a low weekly rental fee.

And, unlike banks and traditional finance companies, Silver Chef requires no Directors' Guarantees, and equipment approval is normally within 24 hours.



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