

All Your Commercial Equipment Needs
From Phone Systems to JETS
\$5,000 to \$\$\$\$\$Millions



Funding Visions Developing Dreams

Issue: May 2008

Did You Know?

If you toss a penny 10,000 times it will be heads only about 49% of the time. The heads picture weights more, so it ends up on the bottom. So always pick tails, you have a slightly better chance.

Quotes

I'd like to live as a poor man with lots of money.
We don't grow older, we grow riper.
Bad artists copy, good artists steal.
I do not seek. I find.
Pablo Picasso

Definitions Fraud

In general, it is a deception made for personal gain. In criminal law, it is the crime of deliberately deceiving another in order to damage them or to obtain property or services unjustly. It may also be called "theft by deception", "larceny by trick": or "larceny by fraud & deception". There is marriage fraud, academic & science fraud, intellectual fraud, internet fraud, health fraud, bankruptcy fraud, investment or securities fraud, to name just a few.

Newsletter

JGI Companies

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WELCOME to the JGI Newsletter. We at JGI value & respect our past, present & future clients, our vendors and their businesses. We want you to be well informed about financing choices and we want your business to grow as a result. We will endeavor to deliver relevant & timely information that will make your job easier. We welcome any suggestions you may have or ideas for topics you are interested in. Always feel free to contact us with any questions. We are here to help you find the best solution for you or your clients and your business.

Jim Jones, President & CEO

Betty M. Bledsoe, Leasing Director

Check out **JGI Companies'** newest development project in Columbia, SC. **Sandhills Medical Center** is a modern one-stop center unlike anything in the area. Visit the website at www.sandhillsmedicalcenter.com.

Fraud Alert – Overseas Sales Scam

WARNING: Do not give out your bank wire transfer information to any foreign company without confirming that they are legitimate. With the increase in overseas sales there is an increase in fraud and scams. One of the most recent ones has a foreign company looking to purchase a couple of pieces of equipment that they saw on the Internet. They usually ask very few questions; they might ask for some pictures but the key is they want a quick sale and they need your wire transfer information so they can get the money into your account right away. Once they have the information, they do a reverse withdrawal and clean out the account. The bank will hold you responsible since you gave out the information.

SOLUTION: Set up an account specifically to send & receive wires and nothing else. Once funds are received, move the money to your operating account. It's a simple but very effective way to safeguard your company.

End of Lease Options

Every lease has an End of Lease Option that is determined upfront and detailed in the lease documents. Normally you, the Lessee, will have three general options at the end of the lease term. You can return the equipment to the Lessor in good working condition; renew the lease for a specific period of time or from month to month; or purchase the equipment for a predetermined amount. The specific predetermined end of lease options are as follows:

\$1.00 Purchase Option - This option is for the Lessee that wants to own the equipment or that know the equipment will not lose its value or depreciate significantly over time. Choosing this option may allow you to treat the lease as a capital purchase and deduct depreciation and interest costs for tax purposes. It normally has a higher monthly payment than the other types of options.

10% Purchase Option – PUT (Paid Upon Termination) – If the Lessee wants the features of a \$1.00 option but with a lower payment or if you are not sure of the long term depreciation of the equipment, this might be the option needed. It allows the Lessee to set the end of lease purchase option at 10% of the initial cost of the equipment.

Fair Market Value Lease - This option is known as a "true" lease and is for the Lessee that wants to pay only for the use of the equipment; who knows obsolescence will lower the equipment's value over time and who does not want to own the equipment. It also has the lowest payments of all the options.