

Lease vs. Buy

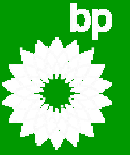


- Factors to consider:
 - Timing/Planning
 - How much is the monthly rental?
 - How much is the monthly maintenance?
 - Do you have the option to purchase and at what price?
 - How long will you need the unit?
 - What is the expected decline rate for the field?
 - Depreciation Rates
 - Estimated salvage value



Leasing Arrangements

- How flexible are your leasing arrangements?
 - What lease terms are available?
 - Early Termination?
 - Assumability of the lease
 - Early Buyout?
 - End of Lease options?
 - All or nothing treatment?



Who does the Maintenance?

- Is there access to technically competent staff?
- Local labor market
- Internal/External turnover rates
- After hours callout
- Misaligned drivers in contracts
- Parts availability and warehousing issues
- Adequate repair facilities?
- Contracts with necessary third parties?
- Control of who does what and when
- Availability of Third Party options?