2023 ICSC — Round 3 SCENARIO

REGARDLESS of what happened in the prior round,
THIS is the Round 3 scenario that covers what really happened in Round 2.

Better and better!

Your meeting with Paul Vredenburg went well. Paul agreed with a lot of what Lauren had communicated, plus Paul had some different thoughts that added to the picture.

AssuredPartners is expanding into Belgium and needs new technology to support that expansion. AssuredPartners is acquiring a Belgian company (which they weren't at liberty to disclose) and they need new laptops to avoid downtime from older, failing technology and slower outdated equipment. Lauren and Paul agreed that it doesn't inspire customer confidence when the tech doesn't work. AssuredPartners can also lose clients in Belgium and not gain new customers (get a poor reputation) if the existing technology is not replaced. Lauren estimated that this purchase would involve about 200 laptops ***likely*** priced at $1,500 each. Paul added that he sees this as an ongoing issue. Specifically, Paul feels that laptops become outdated quickly and will need to be replaced every three to four years.

Lauren disclosed that AssuredPartners wants to buy better machines—ones that cost $2,100 each. However, technology prices are high, and budgets are tight right now. Better machines last longer and have fewer issues, but this is a large purchase that they did not expect nor account for. If they buy the more inferior laptops, they'll need to be replaced sooner (increasing costs down the road). As cheaper laptops experience issues when they become outdated, it causes headaches for salespeople. Furthermore, it doesn't look good to customers if the tech fails happen in front of them. Ideally, Lauren would like to be able to afford the better laptops. Paul liked a technology financing solution from DLL because it will spread this cost out over time, making a more expensive laptop purchase easier.

Lauren felt like some lenders take too long to approve things. Paul did some research on DLL in this regard and was NOT worried about this at all. However, Paul was worried about lowering AssuredPartners's acquisition costs. Paul said he has a responsibility to AssuredPartners to get the best options at the lowest costs and that it reflects poorly on him if he cannot get low rates.

At the end of the meeting, Paul wanted to see DLL's rates on the total amount ($420,000) for a three-year lease. He did not want an annual payment schedule because that is roughly one-third of the cost up front. The quarterly (3%) rate pleased him and the and semi-annual (2.75%) rate was even better. Paul said that he wanted to run this by the CFO, Mark (Marla) Hammond. You asked for an introduction and got one. You set up a meeting and soon after researched Mark (Marla) on LinkedIn: https://www.linkedin.com/in/mark-hammond-30b02912/.

Note: The rates on DLL's Interest Rate Schedule are not flexible or negotiable. The rates are the rates and cannot be indiscriminately lowered just to make a sale.