

## *Trade-In Program & Asset Recovery Service*

### Save Money...Not Obsolete Hardware

AST is pleased to announce a whole new way to purchase new technology and maximize your budget at the same time. It's called AST's Trade-In Program & Asset Recovery Service. This value-added program from AST enables you to trade-in your old computer equipment, save money on the disposition costs and in most cases make money on your trade-in, all maximizing your budget for the purchase of new equipment best-in-class performance and technology from AST, a global PC provider.

#### ***Why Trade-In?***

Today, approximately 60% of new computers are purchased to replace existing computers. According to the Gartner Group, "Companies that choose to sell outdated equipment themselves often experience unexpected difficulty and expense." And "without careful analysis of the activities required to dispose of PCs, I.S. managers can put as much effort into disposal as acquisition." It is estimated that the disposal of a PC could cost hundreds of dollars.



These costs include:

- Elimination of confidential or sensitive data and all software.
- Storage expenses for obsolete equipment.
- Accounting and administrative expenses to retire, sell or donate an asset.
- Preparation for pre-sale or donation of PC as well as post-sale/donation support.
- Risk of violation and non-compliance with EPA regulations for the disposal of hazardous materials.

Today, more than ever, companies are looking for the best solution to procure new technology while reducing costs. AST's Trade-In Program & Asset Recovery Service makes it easy, efficient, EPA compliant and cost effective. These services are designed to help you safely dispose of all types of PCs, recover value for your obsolete assets and apply the cash you receive toward the purchase of new AST computers.

#### ***What are the Benefits?***

- It's an easy, efficient, EPA compliant and cost-effective method to retire assets.
- Recover value from your obsolete assets and re-invest your Trade-In dollars in new technology.
- Maximize your computer budget by deducting the Trade-In value from the purchase price of new AST computers.
- Trade-in as many computers as you like and purchase the latest technology from AST.
- AST alleviates your worries with EPA compliant disposal of non-functional equipment and eliminates your exposure to costly fines.
- AST's program reduces your storage, disposal, administrative and post-sale/donation support costs.

#### ***Who Will Best Utilize This Program?***

- Those who are upgrading to Windows® 95, Pentium® processor systems or multimedia solutions.
- Those migrating to Windows NT® or other 32-bit applications.
- Those purchasing 50 or more new computers.
- Those who have the 25 or more existing units in their inventory for Trade-In.
- Those with no current plans for disposal, storage or resale/donation of existing units.
- Those with no storage space to hold equipment or the resources to manage its disposal.
- Those whose current equipment has little or no "book value."
- Those looking to save money and resources to fully maximize their budget.

## Program Overview

### *It's Easy!*

AST offers leading-edge technology with superior quality, price and performance. It's never been easier to own AST computers!

With AST's Trade-In Program you may trade-in as many systems as you like (25 minimum) and make a qualifying purchase of new AST computers (50 minimum). AST's Trade-In Program allows you to trade-in everything from PCs, monitors and printers to PC peripheral options and fax machines.

AST will purchase your AST or competitor brand computer equipment and either apply the Trade-In value towards your new equipment invoice or send the cash back directly to you.



The process begins with your phone call to AST. We'll send you a Used Inventory form to list the equipment you wish to trade-in. Within 72 hours, we'll provide you with an estimated quote for your used equipment good for 30 days.

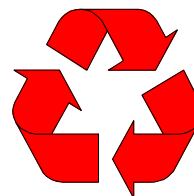
### *It's Efficient!*

The AST Asset Recovery Service (ARS) agent will arrange to pick up your equipment once we receive the signed purchase agreement. To save you even more time and resources, AST also offers the Pack-It and Pick-Up Service to ensure the equipment is properly packed and shipped to arrive at the ARS facility safely and without damage.

The ARS facility will test your used equipment for its functionality, then report back to you the equipment's final assessed value.

### *It's EPA Compliant!*

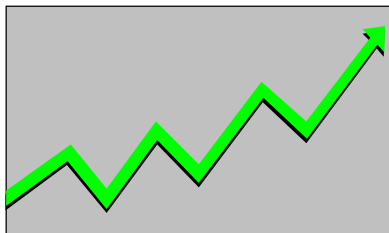
As an environmentally aware manufacturer, AST plays a big role in meeting EPA regulatory guidelines. For any non-functional equipment you trade-in, we'll provide a destruction certificate acknowledging its proper disposal according to EPA Guidelines eliminating your risk of exposure to fines.



### *It's Cost Effective!*

No matter what size your organization, you'll find AST offers the right products and services to meet your computing needs. These days, a growing number of users are demanding more sophisticated technology for business applications. Now the AST Trade-In Program and Asset Recovery Service helps meet those demands more cost effectively.

## MAXIMIZE YOUR BUDGET



### *Protect your investment!*

By participating in AST's Trade-In Program & Asset Recovery Service, you receive cost-saving benefits while maximizing your budget. AST focuses on protecting your investment now and in the future. So when it's time to upgrade— 12, 24, or 36 months from now— AST will be there to accept your trade-in equipment and protect your investment once again!

Best of all, you won't have to worry about what to do with your obsolete equipment, including storage, disposal and administrative expenses. AST's Trade-In Program & Asset Recovery Service takes care of everything AND offers real savings to your bottom line.

## Program Execution

Contact your AST account representative or the AST Trade-In Center at (714) 727-8854 or (714) 727-8822.

1. Request, complete and sign the "Used Inventory" form and fax to the AST Trade-In Center.
2. Within 72 hours, AST will send you a customized quote. A minimum of (25) systems is required for program participation. The quote can optionally include the AST Pack-It + Pick-Up Service covering packing and shipping of your used equipment.
3. An AST representative will provide you with pricing of new AST computers. You must purchase 50 or more new AST computers in any combination to participate in the Trade-In program.
4. AST has two price options for you to choose from:

Option 1: You de-install and stage equipment for pick-up in a central staging area and AST includes with your quote the packing, pick-up, and the cost of shipping. If you have multiple location we will provide you separate quote per zip code. (25 minimum per location).

Option 2: You de-install and stage equipment for pick-up in a central staging area and arrange for packing , pick-up and shipping according to AST specifications.

Please note: AST can provide a separate quote for de-install/new install and data transfer services.

5. Once the equipment arrives at the Asset Recovery Service (ARS) facility, the equipment is then inspected and tested. Equipment must be in "working condition" to receive the quoted value, however AST will cost effectively dispose of non-working equipment. Any discrepancy found in final valuation testing due to its working condition, actual system configuration or damage to the unit will be reported back to you with a final equipment valuation "Pre-Settlement Report."
6. Within 15 working days of equipment arrival at the ARS facility, the "Pre-Settlement Report" will be issued. The Pre-Settlement Report provides details of final valuation of each system, identifying each unit received (i.e., CPU with keyboard and mouse, monitor, printer, etc.) by serial number, asset tag, manufacturer/model and configuration, as well as the final value of that unit along with the method of disposition (i.e., resold, repaired and resold, recycled, destroyed). The "Pre-Settlement Report" will detail any reasons for discrepancies between quoted value and final equipment value assessed after inventory and testing.
7. Final sign off of the "Pre-Settlement Report" and acceptance of final equipment valuation, plus proof-of-purchase of qualifying new AST computers will be required before final payment is issued.
8. Trade-in as many units as you like (minimum 25 units). Qualifying new AST systems (minimum 50 units) purchase is required for release of payment along with proof-of-purchase.
9. Payment:  
Option 1: Payment may be made by check directly to your company or department(s) within your company.  
Option 2: Payment check may be endorsed or assigned to your designated reseller, so Trade-In cash can be applied as a credit discount off your new equipment invoice.
10. Settlement Package: Your payment along with the final Settlement Report, equipment asset tags and Certificate of Indemnification for EPA disposal is remitted 35-45 days after equipment arrival at the ARS facility.

*AST responding to your needs, protecting your investment, maximizing your budget  
AST responding with real solutions to real problems  
AST responding with Partnership*

**For more information, contact your AST Account Representative,  
or AST Trade-In Desk at (714) 727-8854  
or AST Trade-In Program Manager at (714) 727-8822**

**Call today and...Turn-In...Turn-ON...to AST Computers.**

## Q & A

*Can you give us an idea of Asset Disposal and Retirement Costs?*

Service	Estimated Cost *	AST Trade-In Program
Erasure of HD, SW license & sensitive Data, disconnect from network	\$ 80 hr @ 1.5 hr per unit	included
Asset Retirement - Inventory, Asset Tag removal, Settlement Report	\$ 8.50 per unit	included
Packing Material including Box for each unit	\$ 7.50 per unit	Pack-it + pick-up
Shipping, freight charges, Insurance (22 LB ea)	\$ 17.50 per unit	Pack-it + pick-up
Storage of obsolete hardware	\$ 15 per MO per unit	Removal from site
EPA violations for disposal of hazardous materials	\$ EPA Fines	Certificate of Indemnification

\* Source Tokai Financial Services, Inc.

*How can the AST Trade-In program and Asset Recovery Service save you expenses related to asset retirement ?*

The AST Trade-In and Asset Recovery Program is value-added service that saves you the time, resources and much of the expense of equipment retirement and disposal. This service includes the performance and documentation of critical processes necessary to properly account and dispose of technology assets. Included is the erasure of all your hard drive data including software as well as all company confidential data, this will save your organization the time and resources to ensure this critical process is completed. The Asset Retirement "Settlement Report" is a report generated after equipment testing and inventory that will document all your equipment by Serial number, asset tag, actual configuration and method of retirement, i.e. Resold, Repaired and Resold or destroyed and Certificate of Indemnification for destroyed assets. Also all logistics of physical removal is handled with AST Pack-it and Pick-up Service Option, whether your equipment is in one or multiple locations we will arrange to Pack-it + Pick-up and ship it saving you the expense and resources to properly pack your equipment to arrive safely at the testing facility.

*Who is responsible for filling out the information on the Used Inventory form?*

The customer, reseller or AST may fill out the form. The customer must sign the form acknowledging information is accurate including system configuration, condition of equipment, damage etc. AST Trade-In Desk is responsible for quoting equipment and returning the form to the customer.

*Define what is considered a "system."*

A CPU or "system" must include a Processor, RAM, Hard Drive, Floppy Drive, Keyboard and Mouse. If any system tested is found to be missing any of these components or the actual configuration differs from the quoted configuration a discrepancy will be noted on the "Pre-Settlement Report" and quoted price adjusted. If it is determined that it is not economically feasible to replace or repair any system components you will be given the choice of having the system disposed of according to EPA Guidelines or having the equipment returned to you at your expense.

*Define "minor cosmetic damage" and "working condition."*

Equipment must be in "working condition" to receive the quoted value; however, we will cost effectively dispose of any non-working equipment. "Working Condition" is defined as equipment that passes "Check It" software test. Units to be traded in must not have more than *minor cosmetic damage* in order to receive full Trade-In value. *Minor cosmetic damage* is defined as minor scratches or nicks on the case. Equipment damage, such as cracks, missing bezels, discoloration due to smoke or screen burn on the monitor must be disclosed on the Used Inventory form in order to be properly appraised at quote time or a discrepancy will be noted and final value adjusted.

*Is there a minimum trade-in and qualifying new system purchase requirement?*

#### *5/5/97 AST Trade-In Program & Asset Recovery Service*

Yes, a minimum Trade-In of (25) units plus a qualifying order for at least (50) new AST computers is required for program participation. A purchase can consist of any combination of AST notebook, desktop or server products.

#### *How long is the quote valid for and what happens if scheduling slips?*

The quote is valid for 30 days which means equipment quoted must be accepted within 30 days of quote otherwise a re-quote will be necessary. Equipment must be shipped and received into the ARS testing facility within a 30-60 day time period. However if we have quoted your equipment and we are in the process of executing a trade-in, AST will confirm any changes that may arise due to time delays. We understand there may be unforeseen issues caused by scheduling and delivery of new systems as well as logistics with old systems. The AST Sales Reps and AST Trade-In Desk are prepared to assist you every step of the way to ensure smooth transitions.

#### *What happens if AST finds a discrepancy between the equipment received, inspected and tested versus the original quoted configurations?*

The Asset Recovery Service (ARS) facility will inventory and test all of your used equipment. Any discrepancies found in final valuation testing due to its working condition, actual system configuration or damage to the unit will be reported back to you with a final equipment valuation "Settlement Report." The Settlement Report will be issued detailing final valuation of each system identifying each unit received by serial number, manufacturer/model and configuration as well as the final value of that unit along with the method of disposition (i.e., resold, recycled, destroyed). The Settlement Report will detail any discrepancies between quoted value and actual value after inventory and testing. Final sign-off of the Pre-Settlement Report and acceptance of final equipment valuation, plus proof-of-purchase of qualifying new AST computers will be required before final payment is issued. In the event a final settlement cannot be reached you will have the option of having the equipment returned to you at your expense.

#### *What guarantee will be provided that equipment was disposed of according to EPA Guidelines*

Included in your Final Settlement Package will be a Certificate of Indemnification that indemnifies you against any liability under the Comprehensive and Environmental Response Compensation and Liability Act, 42 US.SEC 9601 or any similar state "superfund" law arising from the disposition of equipment.

#### *How long will the entire process take and what will be remitted to you when the process is complete?*

Within 35-45 days of equipment arrival at the ARS testing facility and receipt of your Qualifying Proof of Purchase you will receive the Final Settlement Package. The package will include the Settlement Report, as well as any physical asset tags, the Certificate of Indemnification and the Trade-in payment check or credit.

#### *Why doesn't AST provide a generic price list for used product Trade-In values?*

Technology changes rapidly and the value of old technology depreciates on a month by month basis and every time a new processor is announced. To ensure the best price for the customer's Trade-In products, we have chosen to quote the customer for their specific configurations at the time they are ready to trade-in.

#### *Companies will sometimes sell their old computers to employees in-house. Why should companies Trade-In instead of selling to Employees?*

Risk of employee dissatisfaction due to non-functioning, out-of-warranty products that often are too expensive to repairs or in the case of outdated hardware, cannot be repaired. Risk of EPA non-compliance for disposal. AST would be happy to talk to you regarding an AST Employee Purchase program that can offer your employees new AST Computer bundles for home or school.

#### *What about charitable donation?*

Unforeseen and hidden costs often surface after Donation in regard to support due to non-functioning, out-of-warranty products that often are too expensive to repair or in the case of outdated hardware, cannot be repaired. Risk of EPA non compliance for disposal. Also there are complicated rules concerning the amount of contribution that may be deducted. Please contact your business advisors for rules.

