

END OF LEASE OPTIONS FOR YOUR VEHICLE

The options available to you at the end of the contracted term of your LeasePlan novated lease are:

1. Offer to purchase the vehicle for the residual value inclusive of GST
2. Trade-in the vehicle with a dealer who will pay out the residual value inclusive of GST
Any surplus funds in excess of this amount are retained by you
3. Arrange through LeasePlan to lease the vehicle for a further period of time

Option 1. If you choose to offer to purchase the vehicle for the residual value

LeasePlan will prepare a tax invoice for your vehicle and issue this to you with payment instructions. Your payment is required to be made on or before the lease expiry date. Upon receipt of your funds, LeasePlan will terminate your vehicle on our system to stop billing your employer for the vehicle.

Option 2. If you choose to trade in the vehicle

Once you have decided on your new vehicle LeasePlan will put you in contact with a preferred supplier to enable you to liase directly with the dealer for the trade-in of your current vehicle.

LeasePlan will prepare a tax invoice for your vehicle and issue this to you with payment instructions. Your payment is required to be made on or before the lease expiry date. Upon receipt of funds, LeasePlan will terminate your vehicle on our system to stop billing your employer for the vehicle. Please note you are responsible for ensuring the dealer makes payment to LeasePlan for the vehicle.

Note:

Upon termination of the lease the Novation Agreement expires and salary packaging ends.

- You need to advise your Human Resources representative when the lease is terminated to ensure that appropriate salary adjustments are completed.
- Fleet management services provided by LeasePlan (including insurance and roadside assistance) cease on the day of lease termination. It is your responsibility to arrange for comprehensive insurance cover and auto club membership from that date.
- You need to advise the motor vehicle registration office in your state of your new mailing address for future registration renewals and notices.
- All fuel card(s) will be cancelled upon termination of your lease with LeasePlan. Any fuel expenses incurred (using your fuel card) after the lease termination date will be billed to your employer and passed-on to you.

Reconciliation of your vehicle's operating costs is undertaken after the termination of the lease. The reconciliation compares actual costs incurred with budgeted costs. Any surplus/deficit will generate a credit/debit note, issued to your employer. Your employer will settle your account via payroll. Outstanding insurance claims may delay the settlement process.

Option 3. If you choose to refinance the vehicle – this option is subject to LeasePlan and your employer approving the refinance.

LeasePlan will prepare a quotation based on the requested terms and fax it to you for acceptance. Once you have signed and accepted the quotation a new 'Final Package Allocation' sheet will be produced and sent to your Human Resources representative to commence the new salary deductions.

Please Note: The residual value for the new lease will be calculated by combining the initial lease term(s) with the re-financed term to determine the combined lease term. ATO guidelines are applied to the lease term and the initial object capital value to establish the residual value amount for the new lease.

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Reconciliation of your vehicle's operating costs is undertaken after the termination of the lease. The reconciliation compares actual costs incurred with budgeted costs. Any surplus/deficit will generate a credit/debit note, issued to your employer. Your employer will settle your account via payroll. Outstanding insurance claims may delay the settlement process.

All fleet management services provided previously will continue, however new fuel cards will be issued for the term of the new lease.

If you select to have a refinance quote your vehicle will be automatically re-registered for 12 months regardless of whether you decide to go ahead with the refinance.

LeasePlan will contact you 3 months prior to the end of your lease. You will be asked at this time to advise LeasePlan which option you wish to take.

Kind Regards,

LeasePlan Novated Customer Contact Centre