



EMPLOYEE VEHICLE LEASE AGREEMENT

STANDARD TERMS

This document sets out the terms and conditions upon which we agree to lease a vehicle and provide *vehicle management services* to you.

It is important that before entering into *your lease*, you read this document carefully and understand all *your* rights and obligations. You must also carefully read and understand the *settlement annexure* to this agreement and the *novation agreement* all of which form part of *your lease*.

Additionally, you should refer to, read and understand *your employer's* vehicle policy and requirements. You should also refer to important information contained in the **Novated Leasing User Guide** located on our website, at www.leaseplan.com.au

We strongly recommend that you seek appropriate advice as to the taxation implications of entering into *your lease*. We do not accept responsibility for any taxation implications that may arise as a consequence of *your lease*.

INDEX

SECTION:

1. **Applying for and commencing your lease**
2. **General nature of your lease**
3. **Obligation to pay monthly rentals and other payments**
4. **Your insurance obligations**
5. **Your obligations in respect of the vehicle**
6. **Vehicle management services**
7. **Termination of your lease at the scheduled expiry date**
8. **Early termination of your lease**
9. **Default under the terms of your lease**
10. **Security Interests**
11. **General terms and conditions**
12. **Definitions**

1. APPLYING FOR AND COMMENCING YOUR LEASE

1.1 Quote and offer to provide *leasing services*

- (a) If you wish to obtain a *quote* for *leasing services*, you may (unless we advise you to the contrary) generate a *quote* for *the vehicle* via our website.
- (b) The offer to provide the *leasing services* described in the *quote* will comprise the *quote* and a credit application for you to carefully read, sign and complete.

Important Note: The *quote* must be signed or accepted electronically by you. A *quote* will remain valid and open for acceptance for 10 *business days* but after that time the offer to provide *leasing services* made to you will lapse.

The offer to provide *leasing services* is conditional and subject to your credit application being approved by us. If your credit application is declined, we will notify you.

If your credit application is declined, you will not be eligible to lease a vehicle from us.

By accepting the *quote*, you are accepting our offer to lease *the vehicle*, and subject to the approval of your credit application you shall be legally bound by the terms and conditions of *this agreement*.

There is no cooling off period and you cannot cancel *this agreement* without financial consequences.

1.2 What happens after you accept our offer to provide *leasing services*?

- (a) If following our receipt of the signed *quote* from you, we approve your credit application, we shall, as soon as practicable place an order for the supply to you of *the vehicle* specified in your accepted *quote*.

Important Note: If for any reason whatsoever you cancel your vehicle order prior to the date of delivery of *the vehicle*, you will become liable for the supplier's cancellation fees and our reasonable administration and other costs, the amount of which shall be notified to you. You will have to pay all such cancellation fees and costs within 7 days of us requesting you to do so.

- (b) Following the approval of your credit application, we shall forward to you the following documents which you must carefully read, sign and return to us:

- A. The *settlement annexure to this agreement*, and
- B. The *novation agreement*.

Important Note: The *settlement annexure* must be signed by you and the *novation agreement* must be signed both by you and *your employer*. We must receive the signed *settlement annexure* and *novation agreement* from you within 10 *business days* from the date that we send them to you. If we do not receive these documents from you within this timeframe, we may terminate *your lease* pursuant to the **Default Under the Terms of Your Lease** provisions of *this agreement*.

1.3 Delivery of *the vehicle*

- (a) When *the vehicle* is available for delivery, we will notify you and you must take delivery of *the vehicle*.

Important Note: You will be required to take delivery of *the vehicle* within 7 days of being notified that it has become available for delivery. If you fail to do so, you agree that we are at liberty to treat *the vehicle* as having been delivered to you and then immediately returned pursuant to the **Early Termination for any Other Reason** provisions under *this agreement* on the eighth day after the date of the notification to you that *the vehicle* has become available for delivery.

- (b) Upon delivery of *the vehicle* to you, it is your obligation to make a careful inspection of *the vehicle* to confirm that it conforms to the description of *the vehicle* you ordered, is undamaged and is otherwise in *good condition*.

Important Note: If your inspection reveals that *the vehicle* is not to specifications or is otherwise defective in any material way, you must not take delivery of *the vehicle* and inform us in writing immediately.

We shall arrange for any defect in *the vehicle* to be rectified. Following rectification, you must take delivery of *the vehicle*.

- (c) Upon delivery, you must sign and immediately return to us the *receipt voucher* confirming that you have taken delivery of *the vehicle*.

Important Note: To the extent we can exclude the following by law, we do not make any representations or give any warranties in respect to the merchantability, condition, quality or fitness of *the vehicle* for the purpose for which you intend to use it. You acknowledge that the selection of *the vehicle* by you was made in exercise of your own judgement and was not based on any representation or recommendation made by us, or by *your employer*.

1.4 Notification of the final package cost of the leasing services

After we receive the *receipt voucher* from you and an invoice for the supply of *the vehicle* from our supplier, we shall prepare and provide you with a *final package allocation* which sets out all relevant vehicle identification details, final costs and other relevant information associated with *your lease*.

Important Note: If between the date that we provide the *quote* to you and the day *the vehicle* is delivered, there is a change in any or all of:

- the cost to us of purchasing *the vehicle*;
- the interest rate at which we are prepared to provide *leasing services*; and
- one or more of the government or statutory charges payable in connection with *the vehicle* and *your lease*,

the change in these costs (if any) will be reflected in the *final package allocation*.

2. GENERAL NATURE OF YOUR LEASE

2.1 *Your lease, its terms and the commencement date*

We have agreed to lease to you, and you have agreed to lease from us, *the vehicle* on the terms and conditions set out in *your lease*.

Important Note: If we have agreed to provide *vehicle management services* to you in respect of *the vehicle*, we shall provide you with those *vehicle management services* on the terms and conditions set out in *this agreement*.

2.2 **This agreement is to be novated to your employer**

- (a) *This agreement* must, unless we otherwise agree, remain the subject of a *novation arrangement* with *your employer*.

Explanation: Under the terms of the *novation agreement* entered into by you and *your employer*, most of your rights and obligations under *this agreement*, including the obligation to pay *monthly rentals*, are transferred to *your employer* until such time as the *novation agreement* comes to an end.

- (b) If the *novation agreement* should for any reason come to an end, you and *your employer* must notify us in writing immediately.
- (c) In the event that the *novation agreement* comes to an end, your rights and obligations under *this agreement* will be governed by the terms of the *settlement annexure*.
- (d) If a *novation agreement* with *your employer* comes to an end, but a new *novation arrangement* is not entered into pursuant to the *settlement annexure*, all accrued amounts under *your lease* (including all *vehicle management services* balances) shall automatically be carried forward until *your lease* comes to an end.

Important Note: If *your lease* continues without a fresh *novation agreement*, and upon its termination we pay you or give you a credit in respect of a *financial settlement amount* or *operating costs settlement amount*, you agree that any taxation obligations that arise as a result, shall be solely your responsibility.

2.3 **Declaration that this is an “employment-related lease”**

You acknowledge and declare that by entering into *your lease* you are hiring *the vehicle* in connection with your employment, remuneration or other employment benefits.

Explanation: This clause relates to the National Credit Code which regulates certain credit contracts, including some types of leases. The National Credit Code provides that where there is a consumer lease under which goods are hired by an employee in connection with the employee’s remuneration or other employment benefits, the lease is an employment related lease and the National Credit Code does not apply to that lease.

By your declaration and acknowledgement, you are confirming that as at the date of you entering *your lease*, *the vehicle* is being leased as part of a salary sacrifice, salary packaging, remuneration or employment benefit arrangement. This means that the National Credit Code does not apply to *your lease*.

2.4 **Liability in respect of *the vehicle* and its use**

You agree to fully compensate us for any loss or damage caused to us as a result of the use of the vehicle regardless of how such loss and damage occurs except to the extent that the loss or damage is caused by our act or omission in breach of *this agreement*.

2.5 **Your obligations under the lease continue even if *the vehicle* is not able to be used**

If you are unable to use *the vehicle* because it is damaged, destroyed, out of service, lost, stolen or for any other reason, your obligations under *your lease*, including your obligation to pay *monthly rentals* and other payments will not cease.

3. OBLIGATION TO PAY MONTHLY RENTALS AND OTHER PAYMENTS

3.1 You have an obligation to punctually pay all amounts due under *your lease*

You must punctually pay to us all *monthly rentals* and all other amounts due and payable under the terms of *your lease* until such time as your obligations to make payments under *your lease* come to an end.

3.2 What are the *monthly rentals* that you will have to pay?

- (a) The total cost of *your lease* and the *monthly rentals* are specified in the *final package allocation* that forms part of *your lease*. There are other costs and fees for which you may become liable under *your lease*.

Important Note: You should refer to the Novation Leasing User Guide for more information concerning possible costs and fees that may apply to *your lease*.

You are liable under *your lease* to pay to us all Commonwealth and State (or Territory) Government taxes and charges which are incurred as a result of you entering into *your lease* and our administration of *your lease*. These taxes and charges include but may not be limited to stamp duty and GST.

Unless otherwise stated, all amounts specified in *your lease* exclude GST. If GST is imposed on any *taxable supply* made in connection with *this agreement* by us to you, you must (but only if we issue you with a *tax invoice*) pay to us, as additional consideration, an amount equal to GST at the same time and in the same manner as making the payment on which the GST is calculated. The GST applicable to the cost of providing *leasing services* or any other *taxable supply* shall be specified in the *tax invoices* issued to you.

- (b) Where pursuant to the **Vehicle Management Services** provisions of *this agreement* we undertake a mid-lease change of the costs associated with the *vehicle management services*, we may also, in certain circumstances and at our sole discretion, amend the *residual value of the vehicle* under *your lease*. If we amend the *residual value of the vehicle* there will be a variation to the *monthly rental*.

Important Note: We may decide to amend the *residual value of the vehicle* in circumstances where due to the nature of the use of *the vehicle*, its value at *scheduled expiry date* is likely to be materially lower than that which is set out in the most recent *final package allocation*.

- (c) If we undertake a mid-lease change permitted under *this agreement* we will provide you with a revised *final package allocation* which will set out the new *monthly rental*. The new *monthly rental* will apply from the next invoice date following the date that the revised *final package allocation* was provided to you.

3.3 Method of payment

- (a) In respect to all *monthly rentals*, we shall issue you with a *tax invoice* prior to the date on which payment becomes due.
- (b) *Monthly rentals*, which are invoiced in advance, must be paid by you to us on the due dates for payment specified in the *tax invoice*.
- (c) Your first *monthly rental* is due on the first day of the calendar month immediately following the month in which you took delivery of *the vehicle*.
- (d) All payments must be made in readily available funds by direct debit from your bank account to our nominated bank account. If we request you to do so, you must promptly execute a direct debit authority in our favour.

3.4 Failure to punctually make payments under *your lease*

The punctual payment of all *monthly rentals* and other amounts which become due and payable is an essential obligation under *your lease* and must be strictly observed.

Important Note: If you are late in making any payments due and payable by you, we have the right to terminate *your lease* and exercise other rights against you pursuant to the terms and conditions of *this agreement*. You should carefully review the **Default Under the Terms of Your Lease** provisions of *this agreement* in order to understand our rights and your obligations in the event that you default in paying *monthly rentals* or other amounts.

4. YOUR INSURANCE OBLIGATIONS

4.1 *The vehicle* must remain comprehensively insured at all times

Unless we advise you to the contrary, there are two methods available for insuring and keeping *the vehicle* insured against loss and damage and third party liability.

(a) **Method 1 – Our Policy**

We will comprehensively insure *the vehicle* and maintain an insurance policy until *your lease* comes to an end.

Important Note: You must carefully read, thoroughly familiarise yourself, and at all times comply with the terms and conditions and claims procedures of the insurance policy which will be posted on our web site.

We shall advise you in writing if the insurance policy is for any reason cancelled or any major changes to the terms and conditions of the policy are made.

You agree that you and every other driver of *the vehicle* shall comply with the terms and conditions of the insurance policy.

If *the vehicle* is damaged, you must inform us by telephone or in writing no later than the end of the next *business day* after the damage occurs.

You must comply with all directions given to you by us, and *the vehicle* insurer in respect of all insurance claims and insurance repairs to *the vehicle*. We may direct you to arrange for repairs to be carried out within 1 month of the damage occurring, or such other longer time as we may agree in writing.

A failure on your part to understand and comply with the insurance policy terms and conditions and claims procedures may result in a claim being denied by the insurer or payment under a claim being reduced. If this occurs, you will be responsible to us for the loss or damage caused to us as a result.

(b) **Method 2 – Your Own Policy**

You may elect to make your own arrangements to comprehensively insure *the vehicle*. If our insurance is not listed as a *vehicle management service* in your *final package allocation*, this means that you have elected to make your own arrangements to comprehensively insure *the vehicle*.

Important Note: If you choose to make your own insurance arrangements, you must ensure that the insurance policy:

- is for the full insurable value of the vehicle or such other amount as agreed to in writing by us, and is otherwise acceptable to us in all respects;
- commences on the commencement date of *your lease*;
- insures our interest in *the vehicle* and contains an endorsement which notes our interest as the owner of *the vehicle*;

- cannot be cancelled or altered in any substantial manner without the insurer first providing you and us with at least 7 days notice in writing of the proposed cancellation or alteration.

You further agree and promise that:

- you and every driver of *the vehicle* shall comply with all the terms and conditions of your insurance policy, such that the insurance policy does not become invalid, liable to be cancelled or avoided or any amount payable on a claim under the policy reduced;
- you punctually pay all premiums and other amounts due under your insurance policy (we will not reimburse you for any of these costs);
- if you default in paying a premium in respect of your insurance policy, we may pay such premium on your behalf, in which case you must reimburse us within 7 days of receiving a *tax invoice* from us;
- within 7 days of our request to do so, provide us with a copy of *your* insurance policy, certificate of currency of insurance, or any other insurance related documents which we require;
- you must advise us in writing immediately of any event which allows you to make a claim under your insurance policy, and must not, without our prior written consent take any legal action or settle any claim against your insurer;
- you give us full authority to conduct legal proceedings (whether in your name or otherwise) against your insurer in respect of any claim or possible claim under your insurance policy;
- you give us full authority to compromise or settle all claims under *your* insurance policy at our absolute discretion; and
- you give us full authority to apply any moneys received under an insurance policy towards any *net settlement amount* or other amounts owing by you at the termination of *your lease*.

4.2 What happens if *the vehicle* is lost, stolen or is classified as a total loss?

If *the vehicle* is lost, stolen, damaged, destroyed or classified by *the vehicle* insurer to be a total loss, *your lease* will come to an end upon the insurer paying the proceeds of the policy of insurance to us, and the **Early Termination For Any Other Reason** provisions of *this agreement* will apply.

4.3 Possible additional liability in respect of *the vehicle*

You agree to fully compensate us against any loss and damage we suffer in the event that a payment under an insurance policy is insufficient to cover a third party liability claim against us or any damage to *the vehicle* caused during the term of *your lease*, unless that loss or damage has been suffered by us as a result of our actions or omissions in relation to *the vehicle*.

5. YOUR OBLIGATIONS IN RESPECT OF THE VEHICLE

5.1 Maintenance and fees

- (a) You will be fully responsible for maintaining *the vehicle* in *good condition*. This includes using and servicing *the vehicle* in accordance with the manufacturer's recommendations and taking all other necessary action to keep *the vehicle* well maintained at all times.
- (b) You must punctually pay all licence fees, duties, premiums and other charges which become payable in respect of *the vehicle*. If we request you to do so, you must immediately provide us with copies of receipts as proof that all such payments have been made.

Important Note: If, as part of *your lease*, we have agreed to provide you with *vehicle management services*, some or all of your financial responsibilities in relation to maintenance of *the vehicle* will be assumed by us.

If this is applicable to *your lease*, you should refer to the *final package allocation* in order to ascertain which of your vehicle maintenance financial responsibilities we have agreed to assume.

5.2 Protection of *the vehicle*

- (a) You must, to the best of your ability, protect *the vehicle* against damage from fire, theft and all other risks.
- (b) You must not use or allow *the vehicle* to be used for any purpose for which it is not designed or is unsuitable. In particular, you must not use it for racing, transporting of passengers for a fee, transportation of dangerous or noxious substances or any other activity which places *the vehicle* at increased risk of damage.
- (c) You must not, unless we provide written consent, make any alterations or modifications to *the vehicle*. If you have elected to make your own arrangements for comprehensive insurance cover, you must also seek and obtain written consent from your insurer.
- (d) You must not permit the vehicle to be taken or driven by any person who you have reason to believe may place the vehicle at increased risk of damage.
- (e) You must not give your consent to *the vehicle* being driven by any person who does not hold a valid driver's licence of a State or Territory of Australia.

5.3 Preserving our interest in *the vehicle*

- (a) You must not provide *the vehicle* as security for any loan, or attempt to give any right or interest in *the vehicle* to any person. If any person makes a claim in respect of *the vehicle* you must inform us of this immediately.
- (b) You must not attempt to sell, assign, lease, dispose of, or give *the vehicle* away to any person. If for any reason *the vehicle* leaves your possession or control you must inform us of this in writing immediately and take all reasonable action to recover *the vehicle*.
- (c) You must inform us immediately (but as soon as possible) in writing if *the vehicle* becomes damaged.
- (d) If *the vehicle* is stolen or suspected by you of having been stolen, you must make a formal report to the police as soon as possible and advise us accordingly.

5.4 General obligations

- (a) You must not allow *the vehicle* to be taken permanently to a State or Territory other than the State or Territory in which *the vehicle* is registered.
- (b) You must not contravene any laws relating to *the vehicle* or its use. If a law relating to *the vehicle* is contravened, you will be solely liable for any fines and other penalties imposed as a result.
- (c) You must immediately notify us if there is for any reason a malfunction in *the vehicle* odometer. If *the vehicle* odometer malfunctions, the distance travelled by *the vehicle* during the period that the odometer is out of service, shall be calculated for all purposes under *your lease* by reference to the daily average distance travelled by *the vehicle* since the commencement date of *your lease*.

5.5 You are liable for all damage to *the vehicle*

You shall be legally and financially responsible to us for any damage to *the vehicle* other than reasonable wear and tear due to normal use.

6. VEHICLE MANAGEMENT SERVICES

6.1 We shall pay for *vehicle management services* as provided for in the *final package allocation*

- (a) If the *final package allocation* includes an allowance for *vehicle management services*, we will pay the cost of those vehicle management services.

Important Note: The *vehicle management services* may include maintenance and repairs, registration, insurance, tyres, fuel, roadside assistance, miscellaneous operating costs budget, replacement car, and such additional *vehicle management services* as are set out in the *final package allocation*.

- (b) If the *final package allocation* includes an allowance for the cost of maintenance and repairs, you will be required to take *the vehicle* to our approved vehicle service repairers for servicing in accordance with the manufacturer's service schedule and for other vehicle maintenance works as directed.
- (c) If the *final package allocation* includes an allowance for the cost of fuel, we will issue you with a fuel card. You must immediately notify us in writing if you suspect or discover that your fuel card is misplaced, lost, stolen or has been used without your authority. You agree to fully compensate us against any loss or damage suffered by us as a result of your fuel card being misplaced, lost, stolen or used without your authority.
- (d) If the *final package allocation* includes an allowance for road usage or toll fees, we will issue you with an e-tag or other similar device. You must immediately notify us in writing if you suspect or discover that your e-tag or other device is misplaced, lost, stolen or has been used without your authority. You agree to fully compensate us against any loss or damage suffered by us as a result of your e-tag or other device being misplaced, lost, stolen, or used without your authority.

6.2 Additional costs to be passed on to you

Where, in order to maintain *the vehicle* in good running order, it becomes necessary to incur expenses for items not identified in the *final package allocation*, we may at our discretion pay such expenses and pass on that cost to you for your payment by invoicing it to you in a separate *tax invoice*.

Important Note: Costs that we pass on to you for your payment in a separate *tax invoice* are often costs associated with major or non-standard repairs to *the vehicle*. We will generally invoice you in respect of a pass on cost in the month immediately following the month in which we incur that cost.

6.3 Re-calculation of *vehicle management services* payments

We may, at our discretion, not more than two times a year, increase or decrease your payment obligations in respect of any or all *vehicle management services* items set out in your *final package allocation* by an amount which reflects the change in the cost associated with providing the *vehicle management services* including any of the items listed below:

- (a) providing maintenance and repairs as a result of:
- A. you materially exceeding the budgeted allowance for the annual kilometres specified in the *final package allocation*, or
 - B. a change in the day to day operating conditions of the vehicle, or
 - C. a change in the geographical location in which the vehicle is operated.

- (b) providing fuel as a result of:
 - A. a material change in the price of fuel, or
 - B. you materially exceeding the budgeted allowance for the annual kilometres specified in the final package allocation, or
 - C. a change in the day to day operating conditions of the vehicle, or
 - D. a change in the geographical location in which the vehicle is operated.
- (c) providing roadside assistance in the State in which *the vehicle* is to be registered;
- (d) keeping *the vehicle* registered and insured for compulsory third party insurance;
- (e) keeping *the vehicle* comprehensively insured; and
- (f) providing the services included under “miscellaneous operating costs budget” and “replacement car” in the *final package allocation*.

Important Note: We may at our absolute discretion recalculate your payment obligations in respect of any or all *vehicle management services* items from time to time. Where we do so, we shall provide you with a revised *final package allocation*, which will show the amended *monthly rental*.

6.4 Settlement procedure at the *scheduled expiry date*

Your rights and obligations and operating cost settlement procedures at the *scheduled expiry date* are set out in the *settlement annexure*.

6.5 Settlement procedure upon early termination of *your lease*

Your rights and obligations and operating cost settlement procedures in the event that *your lease* is terminated prior to the *scheduled expiry date* are set out in the *settlement annexure*.

7. TERMINATION OF YOUR LEASE AT THE SCHEDULED EXPIRY DATE

7.1 When does my lease expire?

Unless *your lease* is extended by an *additional term*, it shall expire at the end of the *lease term*.

7.2 Optional renewal of lease after existing lease term expires

- (a) If you wish to continue to lease *the vehicle* from us after the *lease term* or an *additional term* (if any) expires, you must notify us of this in writing at least 30 days before the date that the *lease term* or that *additional term* expires.
- (b) Upon receipt of your written notification, we may, at our discretion send to you an offer to provide *leasing services* for an *additional term* by sending you a *quote* for the proposed *additional term*. This must be signed and returned to us as confirmation of your acceptance of our offer to provide *leasing services* for an *additional term*.

Important Note: The *quote* must be signed by you and returned within 10 *business days* after the date that we sent that *quote* to you. If we do not receive the *quote* within 10 *business days*, the offer to provide *leasing services* for the proposed *additional term* will lapse.

If your *novation agreement* no longer exists we will not permit an *additional term*.

- (c) After we receive the signed *quote* from you, we shall prepare and provide you with a *final package allocation*.

Important Note: If you enter into an *additional term*, the date of the end of the *lease term* of your original lease will become the commencement date of the *additional term* of your lease.

All your rights and obligations under *your lease* shall remain in force for the duration of the *additional term*. However, you will not be required to return *the vehicle* to us until the end of the *additional term*.

7.3 Can I purchase *the vehicle* at the end of my lease?

- (a) If at the *scheduled expiry date* you wish to purchase *the vehicle*, we may, upon receiving a request from you, make an offer to sell to you *the vehicle* on such terms and conditions and at such price as we at our discretion nominate.
- (b) If you accept our offer, and agree to purchase *the vehicle*, we will issue you with a *tax invoice* in respect of the purchase, which will be payable on the terms set out in the *tax invoice*.

Important Note: Until such time as the *tax invoice* is paid in full, ownership in *the vehicle* shall not pass to you, and you will continue to be bound by all the terms and conditions of *your lease*.

7.4 What do I have to do at the *scheduled expiry date*, if I do not wish to purchase *the vehicle*?

You must return *the vehicle* to us at your cost on the *scheduled expiry date* to a location nominated by us.

Important Note: Until such time as *the vehicle* is returned to us or collected by us, *the vehicle* will be at your risk and you remain responsible for any loss and damage caused to *the vehicle* or by *the vehicle* to yourself or others.

7.5 Condition of *the vehicle* at the time of return

- (a) You must return *the vehicle* to us in a *good condition*.
- (b) In the event that *the vehicle* is returned to us, and it is not in *good condition*, you shall be liable for the cost of restoring *the vehicle* to *good condition*.

Important Note: Upon its return, we shall inspect *the vehicle* to ensure *the vehicle* is in *good condition*. *Good condition* will be assessed in accordance with the Fair Wear & Tear Guide issued by the Australian Fleet Lessors Association.

- (c) If restoration works are required, we will determine the cost of all necessary works. Once the costs have been determined you must immediately upon receiving our request to do so, pay to us the costs of such works.

Important Note: If there is any disagreement between you and us as to the cost of restoring *the vehicle* to *good condition*, we shall appoint an independent valuer to make an assessment of the reasonable cost of restoration works. The valuer's assessment shall be final and binding on you and us. The valuer's fees shall be paid by you and us in equal shares.

7.6 Removal of accessories

- (a) You may remove any accessories you fitted to *the vehicle* at your expense during the term of *your lease*. Accessories purchased by you not removed by you prior to the return of *the vehicle* will become our property and you will not be entitled to make any claim against us in respect of those accessories.
- (b) If you remove accessories, you will be liable for, and must make good to our satisfaction any damage to *the vehicle* as a result of the removal.

7.7 What happens if at the end of the *lease term* or any *additional term* I do not return *the vehicle* on its *scheduled expiry date*, or I do not elect to either extend the lease or purchase *the vehicle*?

- (a) *Your lease* will be automatically extended for *additional terms* of 12 months each, unless we notify you that we require *the vehicle* to be returned. A fee will apply for each *additional term*. *Your lease* will be adjusted to reflect the new *residual value* as well as the new *monthly rental* and except for these two items, the other terms and conditions of *your lease* continue, unless otherwise specified in your *settlement annexure*.

Important Note: Some of our settlement annexures vary the operation of this clause. If this applies to *your lease* it will be contained in your *settlement annexure* in S1 under the heading **Exception to standard terms**.

- (b) The automatic extension of *your lease* for *additional terms* shall continue until such time as you return *the vehicle* to us.

Important Note: Despite the fact that your failure to return *the vehicle* at the *scheduled expiry date* will result in an automatic extension of *your lease*, we can nevertheless notify you that you must comply with your obligations to return *the vehicle* to us.

Upon receipt of our notification to return *the vehicle*, you must ensure that you return *the vehicle* to us on the day required by us. If you then fail to return *the vehicle* to us, you will be in breach of *your lease*, and we may take action to repossess *the vehicle* as well as rely upon any of our other rights under *this agreement*.

7.8 Settlement procedure: How is the *net settlement amount* calculated at the *scheduled expiry date*?

At the *scheduled expiry date* we shall calculate the *net settlement amount* in accordance with the provisions of the *settlement annexure*.

8. EARLY TERMINATION OF YOUR LEASE

This section sets out the circumstances in which *your lease* may be terminated prior to the *scheduled expiry date* and your rights and obligations in the event of early termination.

Important Note: All clauses in the **Termination of Your Lease at the Scheduled Expiry Date** section of *this agreement* will (with any necessary modification) apply equally to this section, and in particular those parts which relate to:

- the return of the vehicle;
- condition of the vehicle upon return;
- repair and restoration of the vehicle;
- removal of accessories from the vehicle; and
- settlement procedure.

8.1 **Your lease may be terminated if you default in your obligations**

If you default in your obligations under *your lease* and you fail to rectify that default, we may terminate *your lease* pursuant to the **Default Under the Terms of Your Lease** section of *this agreement*.

Important Note: You should refer to the **Default Under the Terms of Your Lease** section of *this agreement*. This sets out our rights and your obligations in the event that you default in your obligations and we elect to terminate *your lease* as a result of such default.

If *your lease* is terminated by us because of default, the **Early Termination for any Other Reason** provisions of *this agreement* will apply.

8.2 **Your lease will be terminated early if *the vehicle* is lost, stolen, destroyed etc.**

If *the vehicle* is lost, stolen, damaged, destroyed or classified by *the vehicle* insurer to be a total loss, *your lease* will come to an end upon the insurer paying the proceeds of the policy of insurance to us, and the **Early Termination for any Other Reason** provisions of *this agreement* will apply.

8.3 **Early termination due to termination of your employment**

- (a) If your employment with *your employer* is terminated, you must inform us in writing immediately upon becoming aware of the termination.

Important Note: Because of the *settlement annexure* terms, the reason for termination of your employment is important and this provision will apply regardless of whether the termination of employment is voluntarily, by dismissal, retrenchment, retirement or for any other reason.

- (b) If your employment with *your employer* is terminated you must give to us, or we give to you written notice of the termination of *your lease*, provided that such notice is given more than 30 days prior to the *scheduled expiry date*.
- (c) If we give to you, or you give to us notice of termination of *your lease* on the grounds that your employment has been terminated, you must elect one of the options set out in the *settlement annexure*.
- (d) If your employment with *your employer* is terminated, and you do not give us notice of the termination of *your lease* more than 30 days prior to the *scheduled expiry date*, your obligations under *this agreement* will continue. We will also charge you a fee each time a re-novation is required.

8.4 **Early termination for any other reason**

- (a) You may give us, or we may give you, written notice to terminate *your lease* for any other reason whatsoever, provided that such notice is given more than 30 days prior to the *scheduled expiry date*.
- (b) Following notice of termination for any other reason, you will have one of the following options:
- A. you may request that we sell you *the vehicle* at our *nominated early termination price*. Should you accept our *nominated early termination price*, and agree to purchase *the vehicle*, we will issue you with a *tax invoice*, which will be payable within the terms nominated in the *tax invoice*; or
- B. return *the vehicle* to us in *good condition* on the next *business day* following your notice of termination, and we shall arrange to sell *the vehicle*.

8.5 Settlement procedure: How is the *net settlement amount* calculated following the early termination of *your lease*?

Following the early termination of *your lease* we shall calculate the *net settlement amount* in accordance with the provisions of the *settlement annexure*.

9. DEFAULT UNDER THE TERMS OF YOUR LEASE

9.1 What circumstances constitute a default?

If one or more of the following events takes place you will be in default under *your lease*:

- (a) you fail to punctually pay any *monthly rental* or other payment due under *your lease* or any other agreement which exists between you and us;
- (b) you fail to perform any other term of *your lease* or a term of any other agreement which exists between you and us;
- (c) if any legal proceeding or action relating to *the vehicle* is taken by any person which has the ability to adversely affect our interest in *the vehicle*;
- (d) if you become unable to pay all your debts to any or all of your creditors as and when those debts become due;
- (e) if the insurer of *the vehicle* refuses, for whatever reason, and an alternate insurer also refuses to insure or continue to insure *the vehicle*; or
- (f) if any circumstance occurs which in our reasonable opinion may adversely impact on the value, safety or condition of *the vehicle*, or which indicates to us that you will be unable or unwilling to comply with your obligations under *your lease*.

Important Note: You must immediately inform us in writing of any event constituting default.

9.2 We shall give you an opportunity to rectify your default

- (a) If you are in default in the payment of a *monthly rental* or other payments due under *your lease*, we shall send you notice which requires you to rectify the default within a period of 7 days from the date that the notice is sent to you.
- (b) If you are in default under any other term of *your lease* other than the non-payment of moneys, we shall send you notice which requires you where possible to rectify the default within a period of 30 days from the date that the notice is sent to you.

9.3 Our rights against you if you do not remedy your default within time

If the notice requiring you to rectify a default is not complied with to our satisfaction within the notice period, we may at our discretion immediately terminate *your lease* or otherwise pursue other legal rights against you without terminating *your lease*.

9.4 What are your obligations in respect of the vehicle if we terminate *your lease* because you default?

- (a) If you are in default and we decide to terminate *your lease* we shall notify you in writing of our decision.
- (b) You must immediately, upon receipt of our notice of termination, return *the vehicle* to us.

Important Note: If you fail to return *the vehicle* to us, you agree and consent for us to take whatever steps are necessary in order to retrieve *the vehicle* from you, including, where necessary, for us to enter onto any property which you lawfully occupy for the purpose of retrieving *the vehicle*.

Until such time as *the vehicle* is returned to us, you will continue to be liable to pay us an amount equal to the *monthly rentals* and all other payments which were applicable under *your lease*.

9.5 What are your financial obligations if we terminate *your lease* because you default?

You must immediately upon demand pay us the following amounts:

- (a) all *monthly rentals* or other payments due and payable by you to us under the terms of *your lease* to the date of the return of *the vehicle*;
- (b) *penalty interest* on all *monthly rentals* or payments due pursuant to the terms of *your lease* calculated from the due date of such *monthly rentals* or payments to the date of their payment in full;
- (c) an amount equal to all costs, expenses and losses incurred by us as a consequence of a default under *your lease*, including all costs associated with locating and re-possessing *the vehicle* and all our legal and related costs;
- (d) any deficit *net settlement amount* owing to us by you as calculated pursuant to the **Early Termination for any Other Reason** provisions under *this agreement*; and
- (e) an amount equivalent to the loss and damage suffered by us as a result of your default under *your lease*.

Important Note: In addition to the above claims, we may, at our discretion, make such other claims or take such other legal action against you as is generally available to us in respect of your default.

9.6 What are your obligations if you are in default but we elect not to terminate *your lease*?

If we elect not to terminate *your lease* for default, you do not have to return *the vehicle* to us, but you will remain liable to pay to us the *monthly rentals* and all other payments applicable under *your lease* and all your rights and obligations under *your lease* will continue. You must immediately upon demand pay us the following amounts:

- (a) all *monthly rentals* or other payments due and payable by you to us under the terms of *your lease* to the date of the return of *the vehicle*;
- (b) *penalty interest* on all *monthly rentals* or payments due pursuant to the terms of *your lease* calculated from the due date of such *monthly rentals* or payments to the date of their payment in full;
- (c) all costs, expenses and losses incurred by us as a consequence of a default under *your lease*, including all costs associated with locating and re-possessing *the vehicle* and all our legal and related costs; and
- (d) an amount equivalent to the loss and damage suffered by us as a result of your default under *your lease*.

Important Note: In addition to the above claims, we may, at our discretion, make such other claims or take such other legal action against you as is generally available to us in respect of your default.

10. SECURITY INTERESTS

In this clause 10 we have used some words or phrases which are not defined in these terms and conditions but which are defined in the Personal Property Securities Act (Cth) 2009 (PPSA). Those words or phrases have the meaning given to them in the PPSA.

10.1 Acknowledgement and agreement

In respect of *your lease* you acknowledge and agree that,:

- (a) *your lease* creates a registrable security interest under the PPSA in *the vehicle* and the proceeds of *the vehicle*. Neither of us have agreed to postpone the time for attachment of that security interest;
- (b) as at the *contract start date*, value has been given for the creation of the security interest;
- (c) where we have other enforcement rights under *this agreement* in addition to the enforcement rights provided for in the PPSA, those other enforcement rights will continue to apply;
- (d) we will charge you once for registering a financing statement or financing change statement on the Personal Property Securities Register. This will be included as 'security interest' and the amount identified on the *quote* and *final package allocation*.

10.2 Your PPSA undertakings

You must:

- (a) at our request, promptly execute any documents and do anything required to ensure that
 - A. any security interest created under *your lease* is enforceable;
 - B. our priority position is preserved or secured; and
 - C. any defect in the security interest, including its registration, is overcome;
- (b) not without our prior written approval, sell, assign, lease, dispose of, create a security interest in, mortgage or part with possession of *the vehicle* or any interest in it (or purport or attempt to purport to do so) or permit any lien over *the vehicle*;
- (c) not change your name, address or contact details with providing us with prompt written notice; and
- (d) not register a financing change statement or a change demand without our prior written consent.

11. GENERAL TERMS AND CONDITIONS

11.1 *Your lease* is subject to notice of variations

From time to time we may, at our discretion vary the operation of *this agreement* by giving you 14 days notice in writing of our intention to do so. At the expiration of the notice period the variation shall become effective and may be relied upon by you and us as if the terms and conditions after the effective date of the variation were the original terms and conditions of *this agreement*.

11.2 Joint and several liability

If any party to *your lease* consists of more than one person, all of those persons jointly, and each of those persons individually, will be liable for all obligations under *your lease*.

11.3 Assignment

- (a) You agree that we may, without your consent, assign or transfer any or all of our rights and obligations under *your lease* to any other person.
- (b) You may not, without our written consent, assign or transfer any or all of your rights or obligations under *your lease* to any other person.

11.4 Accuracy of your personal information

You agree to inform us of any changes in your personal circumstances which may affect the personal information we hold about you, including your contact details such as postal, residential and email address and telephone numbers.

If we ask you, you agree to provide us with, or assist us to access, any necessary evidence of relevant changes to your personal circumstances or personal information.

11.5 Waiver of rights

No allowance or relaxation on our part which is extended or granted to you in enforcing any of the terms and conditions of *your lease* will in any way affect, restrict or prejudice our rights or powers under *your lease* or operate as a waiver of any default by you of the terms and conditions of *your lease*. Any amounts due and payable by you under the terms of *your lease*, shall continue to be due and payable by you in the event of an early termination or expiry of *your lease* term and after the payment of the *net settlement amount*.

11.6 Notices

Any notice to be given by you to us, or by us to you under *your lease* must be given in writing by one or more of the following means:

- (a) by post to the address noted in *your lease* or such other address as may from time to time have been notified to us by you or by us to you. It is agreed that any notice sent by post is to be considered as having been received on the next *business day* following the date of posting;
- (b) by facsimile transmission to the facsimile number in *your lease* or such other number as may from time to time have been notified to us by you, or by us to you. Any notice sent by facsimile transmission shall be considered as having been received by the recipient at the time and on the date shown on the facsimile transmission confirmation receipt; or
- (c) by e-mail to the address noted in *your lease* or such other e-mail address as may from time to time be notified to us by you or by us to you. Any notice sent by e-mail shall be considered as having been received by the recipient on the day and at the time the e-mail is sent.

11.7 Severability of terms

- (a) Any provision in *your lease* which is invalid or unenforceable is to be read down (if possible), so as to be valid and enforceable.
- (b) If a provision cannot be read down, and is invalid or not enforceable, the remaining provisions which are self-sustaining and capable of separate enforcement shall continue to be in force.

11.8 Governing law

Your lease is to be governed by the laws of the State of Victoria, and the parties submit to the non-exclusive jurisdiction of the courts of the State of Victoria and any court hearing appeals from those courts.

11.9 Execution of *your lease*

- (a) *This agreement* is not binding on us until the *settlement annexure* and *novation agreement* have been duly signed by you and *your employer* and returned to us together with all completed and signed documents required under *this agreement* and you comply with all other requirements which are reasonably necessary for the operation of *your lease* to commence.
- (b) You authorise us to complete and amend any blank, incomplete or inaccurate particulars appearing in *your lease* and to carry out all formalities which are reasonably necessary for the operation of *your lease* to commence and to make it legally enforceable.
- (c) You agree that we may, at our discretion, execute all necessary documents required to be executed on our part, by means of an electronic signature of our authorised officer and that such execution binds us as if we had executed all such documents in any way other than by electronic signature.
- (d) Where under the terms of *your lease* any document is required to be signed, executed, accepted in writing and returned to us by you, such signature, execution, acceptance and return may instead be made by an internet based electronic acceptance function as established by us as part of our website based services. Where an electronic acceptance function is performed by you, it shall have the same effect as if you had signed, executed, accepted in writing and returned the relevant documents to us.

11.10 Interpretation of *your lease*

- (a) All wording in *this agreement* included under the headings of **Important Note** and **Explanation** forms part of the legally binding provisions of *your lease*, and shall be interpreted as far as possible in a way that gives full effect to those provisions.
- (b) The use of a singular form of a word includes the plural and vice versa.
- (c) Documents referred to are incorporated into, and form part of, *this agreement*.

12. DEFINITIONS

Certain words and phrases which appear in *your lease*, have the following meanings:

additional term	means an additional term of <i>your lease</i> (if any) which may be entered into under the terms of <i>this agreement</i> and which will commence on the day following the <i>scheduled expiry date</i> .
business day	means any day, excluding weekends, public holidays and bank holidays, in the State of Victoria.
contract start date	means the date that <i>the vehicle</i> is delivered to, or collected by you.
distance variation amount	The distance variation amount applies if the number of kilometres driven by <i>the vehicle</i> since the <i>contract start date</i> to the date that <i>the vehicle</i> is returned to us is greater than the budgeted number of kilometres for that period as set out in the <i>final package allocation</i> . The distance variation amount is calculated by multiplying the excess number of kilometres, by the cost of each extra kilometre as set out in the <i>final package allocation</i> .
final package allocation	means a document in a similar form as the <i>quote</i> , but which sets out the final costs associated with <i>your lease</i> and <i>the vehicle</i> details. The final package allocation will be forwarded to you and will form a part of <i>your lease</i> .

financial settlement amount	means the amount which, at the end of <i>your lease</i> is owing by you to us, or by us to you, under the applicable termination provisions of <i>your lease</i> .
good condition	means that <i>the vehicle</i> , given its age and number of kilometres travelled: <ul style="list-style-type: none"> • is in good condition and appearance throughout, including its paintwork and trim; • is not missing any of the equipment and accessories originally supplied and fitted; • is in sound mechanical order, allowing for reasonable wear and tear; • complies with all legal requirements with respect to registration, is roadworthy, and is able to be insured; • has no scratches or damage to the body (other than stone chips or surface scratches) and all sign writing and other markings have been removed; • the tyres are of the manufacturer's original specifications and have sufficient tread to be roadworthy; and • has been serviced in accordance with the manufacturer's recommended maintenance and repair schedule.
GST, GST Law	means the same as in the <i>A New Tax System (Goods & Services Tax) Act 1999</i> .
lease term	means the original term of <i>your lease</i> as specified in the <i>final package allocation to this agreement</i> .
leasing services	means the vehicle leasing services provided under the terms of <i>your lease</i> and, where applicable, includes <i>vehicle management services</i> .
monthly rental	means the total amount you have to pay per month in respect of <i>your lease</i> as set out in the most current <i>final package allocation</i> .
net settlement amount	means the net amount which, at the end of <i>your lease</i> is owing by you to us, or by us to you under the termination provisions of <i>your lease</i> , taking into account the <i>financial settlement amount</i> and the <i>operating costs settlement amount</i> (if applicable).
nominated early termination price	when used in a <i>settlement annexure</i> , means the market value we place on <i>the vehicle</i> at the date of termination plus an amount that represents our costs in connection with the termination of <i>your lease</i> .
novation agreement	means the agreement whereby your rights and obligations under <i>your lease</i> , including the obligation to pay <i>monthly rentals</i> , are transferred to <i>your employer</i> .
novation arrangement	means, the novation arrangement entered into between you, us and <i>your employer</i> , or any subsequent employer.
operating costs settlement amount	means if we have provided you with <i>vehicle management services</i> , the amount which, at the end of <i>your lease</i> is owing by you to us, or by us to you under the applicable settlement provisions of <i>your lease</i> .
penalty interest	means interest calculated at the rate prescribed from time to time by the <i>Penalty Interest Rates Act 1983 (Vic)</i> .
purchase price	when used in the <i>settlement annexure</i> , means the market value we place on <i>the vehicle</i> at the date of expiry of <i>your lease</i> , plus an amount that represents our costs in connection with the sale of <i>the vehicle</i> to you.
quote	means a quote issued by us which sets out the costs associated with leasing <i>the vehicle</i> from us and other relevant information which will form part of <i>your lease</i> .
receipt voucher	means a receipt voucher which you will be required to complete and return to us upon taking delivery of <i>the vehicle</i> .
related company	means a company connected with or related to <i>your employer</i> (as defined in section 50 of the <i>Corporations Act 2001 (Cth)</i>).
residual value	means the written down value of <i>the vehicle</i> as at the <i>scheduled expiry date</i> .

scheduled expiry date	means the latter of the last day of the <i>lease term</i> or the last day of the final <i>additional term</i> (if any). If the scheduled expiry date falls on a day which is not a <i>business day</i> , it will be taken to be the next <i>business day</i> .
settlement annexure	means the annexure that contains the settlement provisions that apply to <i>your lease</i> and forms part of <i>this agreement</i> .
taxable supply	means the same as defined in <i>GST Law</i> .
tax invoice	means the same as defined in <i>GST Law</i> .
total costs allowance	means the sum of all the <i>vehicle management services</i> costs and our fees as set out in the <i>final package allocation</i> .
total costs incurred	means the sum of all the <i>vehicle management services</i> costs actually incurred by us in respect of <i>the vehicle</i> , plus all our fees as set out in the <i>final package allocation</i> .
the vehicle	means the vehicle described in the <i>final package allocation</i> and includes all accessories, fittings, additions and replacement parts fitted to the vehicle during the term of <i>your lease</i> .
this agreement	means these Employee Vehicle Lease Agreement Standard Terms, the <i>settlement annexure</i> , <i>quote</i> , <i>final package allocation</i> , and all other schedules and annexures to it.
vehicle management services	means the vehicle operating costs and management services which we agree to provide to you during the term of <i>your lease</i> as defined in <i>this agreement</i> and set out in the most current <i>final package allocation</i> .
we, us, our	Each of these terms refers to: LeasePlan Australia Limited ABN 57 006 923 011 of Level 7, South Wharf Tower, 30 Convention Centre Place, South Wharf, Victoria 3006 and its properly authorised employees and agents. Email: cservice@leaseplan.com.au Fax: 1800 331 041
you, your, my, I	Each of these terms refers to the employee/lessee whose personal details are set out in the <i>quote</i> and the <i>final package allocation</i> .
your employer	means your employer as at the commencement date of <i>your lease</i> , and any subsequent employer.
your lease	means <i>this agreement</i> and all other documents intended to form a part of <i>your lease</i> , including the <i>novation agreement</i> .

Version Number:	14.01	
Version Date:	July 2014	