



Summit Fleet Guide to Novated Leasing

Commercial in Confidence

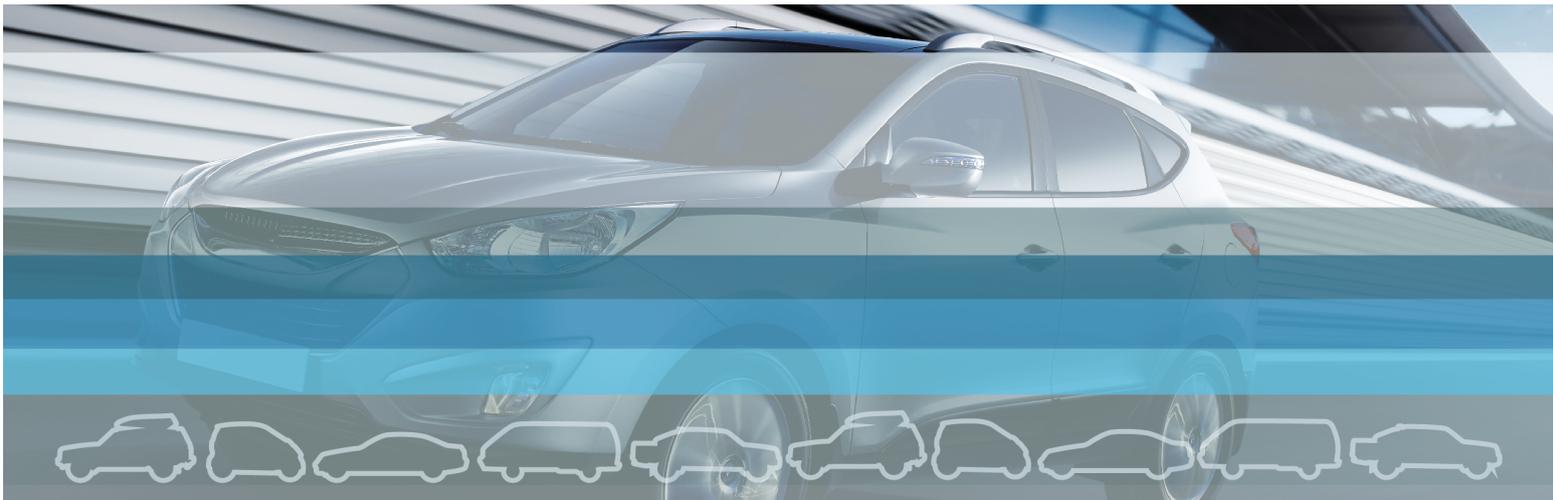




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Overview

Summit Fleet has developed this guide to assist you in understanding what a novated lease is and what benefits you may gain from utilising this type of finance and vehicle management product. It does not constitute advice and Summit Fleet recommends you obtain independent advice from your personal tax accountant or financial advisor prior to entering into a novated agreement.

Who is Summit Fleet ?

Established in Australia in 1997, Summit Auto Lease Australia Pty Limited (Summit Fleet leasing and Management) is majority owned by the Sumitomo Mitsui Auto Service Company, Limited (SMAS) SMAS is the leading fleet leasing and management organisation (FMO) in Japan with a growing presence in many overseas countries which makes them one of the Top 10 Fleet Management and Leasing Organisations from a global perspective!

At Summit Fleet we are committed to the ongoing service of our customers through a stable and experienced management team. We strive to create a long standing relationship with our customers to assist with day to day fleet leasing and management requirements.

Value, Service and Strength are the core principles that drive the team at Summit Fleet.



What is a Novated Lease?

A Novated Lease is a financial arrangement between three parties, the Employee (Lessee), the Employer and the Financier (Lessor). Under a Novated Lease arrangement, the Employee leases a vehicle from the financier, and in turn, with the consent of the financier, novates the lease to their current Employer and passes full responsibility for the payment of the lease to the Employer while you are Employed.

During the term of the Novated Lease arrangement, the Employee is provided with full and unrestricted use of the vehicle. The Novated Package gives Employees the opportunity of choosing the vehicles they desire (providing it is affordable and satisfies Credit Approval).

The Novation Agreement allows the Employer to deduct lease payments pre tax from the Employees salary.

Lease Types

Novated Operating Lease

Summit Fleet takes on the risk of ownership and the vehicle is registered in Summit Fleet's name. The Lessee has possession and full use of the vehicle. Provided the vehicle is kept in the condition required by the agreement (any accident damage is repaired and is within the leased kilometre limit) at the end of the lease, the Lessee can return the vehicle to Summit Fleet without responsibility for any loss that may be incurred by Summit Fleet on resale. A Novated Operating Lease is attractive to Employees that don't want to take any residual value risk or GST obligation at the end of the lease.

Novated Finance Lease

The vehicle is registered in the Employees name while Summit Fleet retains legal title to the vehicle. At lease end the Employee is responsible for payment of the residual value of the vehicle plus GST. If there is a shortfall between the actual vehicle sale price and the agreed residual value on the lease, the obligation to make up the difference sits with the Employee (Lessee). Finance lease residuals are quoted using Australian Taxation Office (ATO) minimum residual values set on the 1st July 2002. The percentage is taken from the total On Road cost of the vehicle less GST per table the below:

Finance Lease Residual Values table

Lease Term	Residual Values
12 months	65.63%
24 months	56.25%
36 months	46.88%
48 months	37.50%
60 months	28.13%

EXAMPLE

Residual Value calculation - 48 month lease:

Vehicle cost on road less GST = \$30,000

$\$30000 \times 37.5\% = \$11,250$

At lease end the Employee would be responsible for
 $\$11,250 + \text{GST ie. } \$12,375$

IMPORTANT:

Once Summit Fleet provides you with a quote, you should obtain independent advice from a Tax Professional prior to entering into a Novated Lease agreement.

Responsibilities

Employer

Confirm to Summit Fleet the Employees eligibility to salary sacrifice a motor vehicle.

Employee

Prior to requesting a quote, test drive all the vehicles you are interested in. Make your vehicle choice but **do not** leave a deposit or sign any documents at the dealership. Confirm lease type, term and annual kilometres as well as vehicle specification and options.

Summit Fleet

Will assist the Employee in ascertaining viability of a Novated lease via in depth consultation. Once the vehicle and lease requirements are defined a quote will be provided for consideration.



Fringe Benefits Tax (FBT)

Fringe Benefits Tax is levied by the Australian Tax Office for a “benefit” Employees may receive as a result of their employment. Motor Vehicles are one of the only “benefits” treated as concessional for FBT and this makes them an attractive option as a package component for Employees.

The FBT year is 1st April to 31st March. The Employer is responsible for paying Fringe Benefits Tax (FBT) to the Australian Taxation Office (ATO) on your behalf and it is normal practice for the FBT to be charged to the Employee as part of the Novated Package deduction by payroll.

Novated Lease quotations provided by Summit Fleet include a budgeted estimate of the FBT payable utilising the ATO statutory formula method.

Your Employer is responsible for reconciling your FBT account annually.

Employee Contribution Method (ECM)

ECM is a blend of pre and post tax salary sacrifice and is part of FBT legislation. It aims to eliminate the FBT liability by allowing employees to make post tax contributions. It also allows the Employee to swap the highest marginal rate of tax to their marginal rate, if lower. The amount of post-tax contribution is equivalent to the taxable value of the vehicle.

You can compare the benefits of utilising ECM, just ask your Summit Fleet Novated Customer Service representative when requesting your new vehicle quote.

EXAMPLE

Below is a generic example of how salary packaging could benefit you.

Please use this as a guide only as everyone's personal financial position is different. It is based on:

- a medium sized sedan
- on road cost of \$30,000,
- term of lease 36 months
- kms per annum 15,000km
- employee gross salary \$75,000 p/a

Salary Components	Full Salary Sacrifice	Employee Contribution Method (ECM)	Unpackaged
Gross Salary (Before Tax)	\$75,000.00	\$75,000.00	\$75,000.00
MV Annual Leasing Costs	\$19,885.00	\$8,334.00	\$0.00
New Gross Salary figure	\$55,115.00	\$66,666.00	\$75,000.00
PAYG Tax	\$11,211.00	\$14,850.00	\$17,475.00
After Tax Contribution	\$0.00	\$6,180.00	\$15,347.00
New Annual Net Salary	\$43,904.00	\$45,636.00	\$42,178.00
New Monthly Net Salary	\$3,659.00	\$3,803.00	\$3,515.00
Estimated Employee Advantage per Annum	\$1,726.00	\$3,458.00	



Product Summary Table

	Novated Operating Lease	Novated Finance Lease
Lease Rental	Monthly, Weekly or Fortnightly	Monthly, Weekly or Fortnightly
- Residual Risk	Summit Fleet*	Lessee#
Roadside Assistance		
Summit Fleet Online™ – Novated Including online credit applications^		
Driver reporting		
Registration Renewal		
Maintenance & Service		 <i>OR</i> 
- Maintenance Risk	Summit Fleet	Summit Fleet Lessee
Replacement Tyres //		
Fuel & Fuel Card		
Insurance		
Accident Management ‡		

* BFL = Budgeted Finance Lease is only offered in certain circumstances

Legend

 Included in Lease Rental / Fully Maintained - Maintenance & Service component

 Budgeted in Lease Rental



Accident Management

Accident Management can be provided in a Novated Lease where the Summit Fleet facilitated insurance arrangements are selected. Accident Management supports the driver at the time of an incident by addressing all of their needs from arranging towing to processing of claims.

This service includes:

- 24/7 Australia wide Accident Assist Coverage
- Coordination of Vehicle Recovery & Transportation
- Coordination of vehicle initial claim, assessment and repairs
- Guarantee on all Repairs for the life of the lease
- Status & Cost Reports
- National “Not At Fault” Cost Recovery Management Program
- Coordination of Relief car hire
- Emergency services notified where required

Roadside Assistance

Roadside Assistance is a standard inclusion in all Novated Leases and is in addition to any manufacturer program and a further value-added service for drivers. Summit Fleet’s Emergency Roadside Assistance includes the following services and benefits:

- 24-Hour Roadside Assistance via a toll-free 1800 number, for rectification of basic repairs, e.g. flat tyres, flat batteries and other immobilised vehicle faults.
- Towing as a result of mechanical breakdown, to the nearest manufacturer’s service provider.
- Free taxi transport to enable occupants to continue their journey, if the vehicle cannot be mobilised due to mechanical breakdown, (one taxi ride to maximum of \$30.00)
- Free Emergency Fuel (petrol or diesel) to enable driver to travel to the nearest available re-fuelling facility.
- Locksmith callout for emergency vehicle access/ replacement of lost keys. (limit \$150 per incident)
- Assist removal of bogged vehicles (specialist recovery vehicles supplied at drivers cost)
- Emergency medical advice, co-ordination of all medical assistance and arrangement of alternative transport.
- Accident Co-ordination including towing and alternative transport arrangements. (towing and alternative transport arranged at drivers cost)
- Urgent message relay, assistance to re-book flights, accommodation, etc.

Maintenance and Service

Full Maintenance

Full Maintenance includes all standard servicing up to the nominated kilometres and any services required as a result of normal wear and tear eg. brakes, exhausts etc. Full Maintenance means that Summit Fleet is taking the risk on the maintenance and there is no need for reconciliation at lease end.

Budgeted Maintenance

Summit Fleet sets a budget for maintenance of your vehicle based on the term and annual kilometres of the contract. At the end of the contract the budgets are reconciled and any surplus is credited to your Employer and returned to you via payroll or, if in deficit we invoice your Employer and you are debited via payroll for the outstanding amount.

Repair Authorisation

All services, repairs (to be conducted at manufacturers franchised dealerships) and replacement tyres (via national tyre franchises) are authorised by Summit Fleet from our national maintenance control centre. Through a national network of service providers, Summit Fleet is able to prevent over servicing of vehicles and ensure vehicles are being serviced to manufacturer’s specifications, while maintaining accurate vehicle cost and performance histories. Cost benefits gained are passed on to Lessees in the form of reduced lease costs.

Tyres

The standard allowance is 4 tyres for every 40,000 kilometres (this can vary depending on vehicle and tyre type eg low profile or front wheel drive).

Your vehicle’s tyres must be kept in a roadworthy condition at all times.

Responsibilities

Employee

To advise dealership to seek authorisation through Summit Fleet for all work, prior to commencing the service or repairs.

If tyre allocation is fully utilised the employee can have their contract varied to cover additional tyres.

Contract variations must be signed off prior to tyres being fitted to vehicle.



Initial and Future Registrations

Initial and future Registration and CTP Insurance is included in all quotations provided. All Novated Operating Leases are registered in Summit Fleet's name at Summit Fleet's postal address while Novated Finance Leases are registered in the Employees name but at Summit Fleet's postal address. Registrations are received and processed ten days prior to registration renewals.

It is critical that Employees notify Summit Fleet of any vehicles that may be extended so that we have sufficient time to organise renewal of registration. Extensions should be activated at least 1 month prior to the end of the contract. In addition, a roadworthy may be required for vehicles in NSW in their fourth year prior to renewal.

Vehicles coming to the end of their lease cannot be re-registered as part of the novated lease unless they are formally extended.

Responsibilities

Employee

Obtain roadworthy certificate if requested in sufficient time to allow Summit Fleet staff to register the Vehicle.

Forward any registration papers to Summit Fleet for processing and payment as soon as received

Summit Fleet

Prompt Employee when a roadworthy is required in order to re- register their vehicle.

Budgeted Fuel and Fuel Card

A monthly Fuel budget is included in the lease. The fuel budget is established based on the fuel consumption provided by the manufacturer and the fuel cost is based on \$1.80 / litre (\$2.00 / litre for Diesel). This includes a buffer to assist in minimising package variations. The fuel budget is reconciled at lease end or when an Employee leaves the Employer.

For ease of access and flexibility A Motorpass fuel card will be ordered once your vehicle is delivered. This card allows the holder to access a wide range of service stations and may provide other related benefits.

NOTE:

While the Employee remains with their current Employer, any reconciled amounts are invoiced or credited to the Employer who in turn settles with the Employee via the payroll. Fuel cards are automatically cancelled at the termination date once we receive notification that an Employee is leaving

Responsibilities

Employee

Advise Summit Fleet if you are leaving your Employer as soon as possible and confirm contact details

Employer

Complete the Employee Termination Notification Form and submit to Summit Fleet advising the employment termination date.

Summit Fleet

Cancel fuel card at the date Employee leaves the Employer and reconcile any budgets.

Budgeted Insurance

It is a requirement of the lease agreement that the vehicle must be comprehensively insured at all times and the policy must be in place at the time of delivery. Summit Fleet will arrange a competitive insurance quote including redundancy insurance through Mitsui Sumitomo Insurance to be included in the lease quote.

If the Employee decides to use a company other than Mitsui Sumitomo then it is the Employees responsibility to ensure that the insurance is in place at time of delivery and that Summit Fleet's interest is registered on the policy. Insurance is included in the monthly costs, however unless using the Mitsui Sumitomo Insurance arrangement, the Employee is responsible for the initial payment and its annual renewal at which time Summit Fleet will reimburse the cost once we receive the reimbursement claim form, original Tax Invoice and receipt as proof of payment. A copy of the current policy must be provided to Summit Fleet annually.

It is critical the Employee and Employer understand that Summit Fleet is not the insurer and that any changes to premiums are the result of the Insurer and its risk assessment on Employees driving history, vehicle type and location. Insurance will only ever be reimbursed to the total of the original quoted premium (unless the lease is varied to cover the increase). The Insurance component is budgeted to reduce the need for continual change but where a large increase exists, a variation would be appropriate.

All claims and enquiries must be directed to AON. The Summit Fleet/Mitsui Sumitomo product runs from July to June annually and removes the need for the Employee to pay and have reimbursed and provides a more secure confirmation of vehicle coverage.

Responsibilities

Employee

Must provide a certificate of currency if you choose your own insurance together with the original Tax Invoice showing the GST component and receipt as proof of payment.



If the Employee wishes to utilise their own Insurer and no premium figure is provided at the time of quoting a figure of \$1000 per annum is included. In these situations the Employee must pay the insurance and future renewals and be reimbursed. A valid Certificate of Currency and original tax invoices and receipts will be required before reimbursement.

NOTE:

Vehicles cannot be delivered without receipt of a valid Certificate of Currency confirming an active Comprehensive Insurance policy is in place for the vehicle

Redundancy Protection

If an Employee with a Novated Lease is retrenched/made redundant, the Employer has no further obligation for the lease or its repayments from the date of employment termination. The Employee therefore becomes responsible for the vehicle and may often have no alternative employment in the short-term.

Summit Fleet has partnered with Mitsui Sumitomo Insurance Ltd to provide a Comprehensive Insurance Policy available to all Novated Leases contracted through Summit Fleet Leasing and Management. This policy includes Redundancy Protection as part of the standard policy inclusions.

It provides an alternative where the Employee, upon being retrenched, can retain the vehicle for three months during which time the monthly rentals will be paid by the Insurer to Summit Fleet. If after three months the Lessee has not been successful in gaining re-employment the vehicle must be returned to Summit Fleet to be sold. The Lessee is covered for any shortfall (that is the difference between the lease payout and the sale price of the vehicle) up to the value of \$25,000.

NOTE:

The payout by the Insurer does not include any debits for fuel, rental arrears or any other outstanding debits including damage that may exist on the vehicle. To activate an Employee's redundancy insurance Summit Fleet must receive notice of their redundancy from the Employer in writing. Summit Fleet will then contact the Employee and confirm their intentions and their current address and phone numbers. The Employee has 7 working days to decide whether they will take up the Redundancy Protection option or continue with the lease. After 7 working days the Redundancy Protection ceases on the contract.

Responsibilities	
Employee	Must contact Summit Fleet within 7 working days of redundancy.
Employer	Complete Employee termination Notification form for Employees being made redundant and is responsible for all payments to Summit Fleet until official notification is given.
Summit Fleet	Explain redundancy insurance options to Employee should they be made redundant and follow up with Employer.

Redundancy Protection is not a standalone product, and cannot be included if you choose to insure with a company other than Mitsui and is only available on vehicles financed by Summit Fleet.

Vehicle Sourcing

Summit Fleet will source all new vehicles for the Employee from our preferred dealer network. It is important that Employees do not leave a deposit or make a commitment by signing documents at dealerships they visit as this will leave the Employee exposed to that particular dealerships processes and pricing. Summit Fleet dealers have been selected because of their pricing, level of service, understanding of our paperwork and their agreement with our terms of settlement.

If the driver sources a new vehicle from a non Summit Fleet Key Dealer, a Finance Lease is the only leasing option available.

Second Hand and Demonstration Vehicles

Second hand vehicles must be sourced from the franchised dealer network. The vehicle should not be older than 5 years and should not exceed 200,000kms at lease end. Some exceptions may be considered.

All used vehicle lease quotes must be a 'Finance Lease - Budgeted' with the exception of registration renewals remaining fixed. It is critical that Summit Fleet receives a formal quotation and contact details of the dealer in order for Summit Fleet to confirm payment terms etc. The pricing must show a break up of any Purchase Stamp Duty, GST, Luxury vehicle tax, additional accessories etc.

Acceptance of the purchase price will be based on Summit Fleet's fair market value in view of the age and kilometres of the motor vehicle.

We are unable to provide quotations on vehicles purchased at auctions or from private sales.

Responsibilities	
Employee	Source used or demonstrator vehicles only
Employer	Agree to allow used or demonstrator vehicles in their policy
Summit Fleet	New vehicle sourcing



Sale and Leaseback

A Sale & Leaseback may be considered for a Novated Lease for a vehicle the Employee currently owns based on the following criteria:

- The vehicle must be no older than 5 years at the end of the lease
- Vehicles owned outright by the Employee require formal inspection to ensure a clear understanding of its condition (to be documented on a Vehicle Condition Report)
- Clear title to the vehicle must be established
- Original Registration papers must be provided and any available purchase documentation
- Accurate current kilometres are required

All Sale & Leaseback quotes must be a 'Finance Lease - Budgeted' with the exception of registration renewals remaining fixed.

NOTE:

Summit Fleet cannot finance a vehicle purchased from an individual other than the Employee.

Vehicle Delivery

Once your order has been placed, the delivering dealer will contact you to advise the expected delivery date as well as keep you informed about any delays or changes to the delivery date of your new vehicle that may occur. The delivering dealer will contact you again approximately two days prior to delivery to arrange a convenient time for you to pick up or have the vehicle delivered to you.

At the time of delivery you will be required to sign a Delivery Confirmation form once you are happy that the vehicle complies with what you ordered. Do not accept a vehicle if it's not what you ordered and contact Summit Fleet immediately. You will also be asked to complete a short survey of 5 questions.

All new vehicles are registered on the day of delivery (or 24 hours prior).

The dealer will notify Summit Fleet that you have taken delivery of your new vehicle and advise us the registration number to enable ordering of your fuel card. Your new vehicle should come with a full tank of fuel which should last until your fuel card arrives. If you need to fill up prior to the fuel card arriving please keep the original Tax Invoice and receipt of payment in order to claim a reimbursement from Summit Fleet.

Once we have been notified your vehicle has been delivered we will order your fuel card and send through confirmation in the form of a Payroll Advice to the Employer so that salary deductions can commence on time.

Responsibilities	
Employee	Sign Delivery Confirmation at the dealership if the vehicle is in order
Employer	Action HR Advice promptly in order to make payroll cut off time.
Summit Fleet	Order fuel card Provide a Payroll Advice for payroll deduction to nominated Employer departments and copy to the Employee.



Reporting

Summit Fleet provides Novated Lease Reports to each Lessee monthly from the 10th of the month. All questions relating to the report can be directed to the Novated team novated@summitlease.com.au.

The Novated Lease Report includes:

- The actual costs for the period as well as the existing life to date allowing an easier and more accurate comparison with the monthly budgeted amounts included.
- A simplified FBT Summary clearly outlines contracted versus projected kilometres and the relevant FBT Bracket
- An FBT tracking indicator is provided to help identify if the lessee is tracking towards their required kilometres at the end of the FBT year.
- List of the previous month's transactions
- Financial Budget Movements for the period to show any transaction debits and credits that could impact the actual costs total for the period.
- Transaction History for the life of the lease for:
 - Maintenance
 - Tyre Replacements
 - Registration Renewals
 - Insurance Renewals
- Vehicle Servicing Forecast identifying the vehicle's next due service. This forecast is based the recommended service schedule provided by the manufacturer for the specific vehicle and your last recorded vehicle service with Summit Fleet.

Responsibilities

Employee

Take the time to read the reports and query any anomalies with the novated team in a timely manner at novated@summitlease.com.au

Employer

Encourage Employees to vary contracts running outside kilometres and set budgets, sooner rather than later.

Summit Fleet

Provide reports monthly to each novated lessee via email.



Driver Support

Each driver/lessee has access to Summit Fleet’s online Driver Information Guide which outlines procedures for vehicle service/maintenance and operating guidelines for the facility, including emergency contact numbers. Summit Fleet encourages drivers to contact our Maintenance Control Centre via a toll free “1800” number should you have any questions regarding the operation or servicing of their vehicle.



Summit Fleet’s online Driver Information Guide is designed for use on any smartphone device and can be accessed by scanning the QR code using any free QR Code Reader app or directly via we browser at summitfleet.com.au/driver-information.

This QR code can be found on the Summit fleet website (<http://www.summitfleet.com.au/product-service/driver-support>), the in-vehicle mirror hanger included on delivery of the vehicle, or the support sticker provided in the top right hand corner of the windscreen.

Reimbursements

There may be times when you require reimbursement for vehicle operating costs such as fuel etc. A reimbursement claim form is available online on Summit Fleet’s website.

NOTE:

We are unable to process your reimbursement without clear copies of tax invoices and receipts. The minimum claim amount for reimbursement is \$30.00.

Package Variations

Contracts (leases) can be varied at any time during the course of the lease if the following occurs:

1. You are running more or less than 10,000 kilometres outside your leased kilometres and you will continue to do so for the remainder of the lease
2. Your tyres have been fully allocated and you require additional tyres
3. You want to extend your contract past the natural expiry date (*conditions apply)
4. You need to increase your fuel budget

Responsibilities

Employee

Check your Driver report and call the Novated Team if you have any questions or would like to vary the contract

Contact novated@summitlease.com.au to request a quote and be guided through the process.

* If you wish to extend your contract past the expiry date, the request for contract extension must be completed 2 months prior to the end of the lease.

Infringements

Lessees are responsible for all infringements received for their vehicle, this includes but is not limited to speeding, red light camera detected, parking and tolls. It is the Lessee’s responsibility to ensure that any infringements are paid promptly within the given timeframe. Failure to do so can affect Summit Fleet’s ability to re-register your vehicle.

Responsibilities

Employee

If you have installed an e-Tag into your Novated lease vehicle, it is important that they are installed correctly and working at all times.

Ensure fines are paid within the time allowed by the Infringement Processing Bureau

Summit Fleet

Process Statutory Declaration in a timely manner once Employee details are known

Lease Expiry

The Summit Fleet Novated Team will prompt you 6 months prior to your lease expiring to find out whether you intend to replace your vehicle or not. If you intend replacing your vehicle for a new one, the Summit Fleet Novated team will guide you through this process with a view to having your new vehicle delivery coincide with the old one expiring.

At lease termination, vehicles which are to be replaced with new vehicles through Summit Fleet will be collected by the dealership supplying the new vehicle. Leased vehicles not being replaced are to be returned to Summit Fleet offices in the relevant state or where there is no Summit Fleet office in that state, then to the authorised Summit Fleet agent, on or prior to the lease termination date. Summit Fleet will advise contact details for the agent



as necessary. For all Finance Leases, the Residual Value amount due must be deposited to and funds cleared in Summit Fleet’s account by the contract end date.

Upon termination all Summit Fleet leased vehicles will be inspected and a Vehicle Condition Report completed. The Vehicle Condition Report document is to be signed by the Employee and the Summit Fleet representative.

Once the lease has expired any budgeted components will be reconciled to actuals and surplus will be credited to your Employer and returned to you via your salary. Likewise any deficits will be invoiced to your Employer and deducted from your salary.

Leaving Your Employer

If you decide to leave your current Employer you must notify Summit Fleet of the date you are leaving, as soon as possible and needs to be confirmed in writing by you and your Employer.

The Novation Agreement ceases as at your termination date. Summit Fleet will reconcile all budgeted amounts and send an invoice or credit note to your Employer for them to debit or credit your final pay. It is also critical to confirm the last payment to be made by your Employer.

Once you leave your Employer, you will become responsible for the remaining lease rentals plus GST until the contract expires unless you re-novate to another Employer. Most Employers will accommodate re-novations, but it is wise to check with them in case they have a policy to only deal with one leasing supplier. In some cases the Employer will deem that in order to salary sacrifice for a vehicle you must utilise the services of their preferred supplier. This can result in you having to pay out your current lease and re-finance with your new Employers provider. In this circumstance it is best if you ensure you are not being disadvantaged by doing so. Consult with your independent financial / tax advisor prior to making your decision.

For assistance in setting up the re-novation or your options if the new Employer won’t allow the re-novation, contact the Summit Fleet Novated Team.

Responsibilities	
Employee	<p>Respond promptly to the lease end requested information.</p> <p>Confirm date of last payment Employer will make on your behalf.</p>
Employer	<p>Agree on policy to be applied in cases where Employees may have a significant deficit.</p> <p>Confirm and agree with Employee on the final rental to be paid</p>
Summit Fleet	<p>Assist you with new quotes or with the lease end return/purchase process and provide reconciliation within agreed time-frame</p>

Fair Wear and Tear

It is up to the Lessee to keep their leased vehicle in Fair Wear and Tear (FW&T) condition for the age and kilometres of the vehicle. For those who choose the Operating Lease in particular your vehicle will be assessed at the end of the lease for FW&T condition. Any damage deemed to fall outside the Summit Fleet FW&T policy is charged back to the Lessee. Summit Fleet has adopted the Australian Finance Industry Association FW&T policy, a copy of which can be downloaded from our website.



Frequently Asked Questions

What type of vehicles can I lease?

For FBT purposes, when a Car Fringe Benefit is provided, a car is any of the following:

- A sedan, station wagon, panel van or utility (including 4WD vehicles)
- Any other goods carrying vehicle with a carrying capacity of less than 1 tonne \
- Any other passenger carrying vehicle designed to carry fewer than 9 passengers (Motorcycles are not permitted).

Can I choose my own dealer?

It is our preference that all vehicles be sourced from our preferred dealerships where possible. If you do find a vehicle at a non preferred dealership it is not recommended that you sign a purchase agreement with that dealership, instead, contact the Summit Fleet Novated Team and we will obtain all the information required to give you a Finance Lease quote from the dealer on your behalf.

I only want Summit Fleet to finance the vehicle, not the running costs.

We do not offer funding only as a core product. Summit Fleet is a specialist fleet management organisation with many years of experience in managing vehicle running costs.

I want to use my own insurance company because I get a good discount from them.

You can nominate your own insurer however you must pay for the insurance annually and apply for a reimbursement from Summit Fleet. Summit Fleet will set a budget for your insurance which will be reconciled at the end of the lease.

I want to pay my annual bonus into my novated lease.

You are unable to have equity in a leased vehicle and paying in a lump sum is deemed as equity.

Can I add options and accessories after the lease has commenced?

No, all options and accessories must be added prior to the lease starting so they can be included in the FBT purchase price of the vehicle.

Who pays for my registration/CTP renewal each year?

Summit Fleet will re-register your vehicle prior to the registration expiry date and post the label to your home address. If you happen to receive the re-registration papers in the mail, please forward them immediately to Summit Fleet so that payment is not held up.

What happens if I leave my current Employer?

You must contact the Summit Fleet Novated Team and advise of the date of termination of your employment. This must be notified as soon as it is known in order for us to carry out the reconciliation of your account. The current novation agreement ceases and your budgeted running cost items are reconciled. You can then decide to renovate to a new Employer (dependent on the new Employers guidelines), continue to pay the monthly rental after tax or terminate the lease early by handing back the vehicle to Summit Fleet to sell or purchase it from Summit Fleet You must complete an FBT declaration prior to leaving your current Employer.

What happens at the end of the lease?

Summit Fleet will contact you 6 months prior to lease end giving you a number of options

- If you have a finance lease we will advise the Residual Value due plus GST
- You may have an option to extend the lease for a further term depending on age and kilometres at the end of the current term
- We can quote on a replacement vehicle
- If you have an Operating Lease we can quote you a price to purchase the current vehicle if required. Summit Fleet is unable to extend leases that are not subject to a current novation agreement.

What are Excess Kilometres?

Each lease has a maximum kilometre limit based on the annual kilometres estimated for FBT. This kilometre limit is also used to forecast maintenance for the life of your lease. If you under estimate your annual kilometres and don't sign off on a contract variation each kilometre in excess of the kilometre limit is charged back to you at the end of the lease. The excess kilometre fee is displayed on your lease quote. If you have overestimated your annual kilometres you can request a variation to reduce the kilometre limit. Your novated representative will liaise with you and arrange a variation quote for you to sign off.

I have a trade-in, can Summit Fleet sell the vehicle for me?

Summit Fleet is not able to sell your existing vehicle for you. If your vehicle is sourced by a Summit Fleet preferred dealer we can put you in touch with the delivering dealer to enable you to negotiate a trade-in price for your current vehicle.

