

LONG TERM HIRE AGREEMENT – GOVERNMENT BETWEEN YOU AND LEASEPLAN AUSTRALIA LIMITED (“the Agreement”)

1. Agreement Amendments

The Agreement will be deemed to have been amended and the amendments shall take effect as at 1 March 2007, or upon the next Expiry Date or Early Termination Date of a Hiring Arrangement.

2. Final Settlement – Expiry of Hiring Arrangement

Delete existing Clause 7.2 and insert the following new Clause 7.2:

7.2 Except where Clause 8 applies, LeasePlan will on the Expiry Date:

- (a) dispose of the Vehicle and determine the proceeds of disposal of the Vehicle after deduction of all expenses incurred in relation to such disposal (including, without limitation, the Costs of Restoring the Vehicle to Good Condition), (the result being the “Net Proceeds of Disposal”);
- (b) calculate the costs actually paid or incurred (or where a seven day settlement is applicable, estimate the costs actually incurred) by LeasePlan in connection with the Vehicle during the Term by determining the sum of:
 - (i) any costs paid or incurred (or where a seven day settlement is applicable, estimate the costs actually incurred) by LeasePlan under Clause 4.1, Clause 4.3, 4.4, (excluding Clause 4.4(c)), Clause 5 and Clause 14;
 - (ii) the depreciation of the Vehicle, the interest cost to LeasePlan of financing the supply on hire of the Vehicle, the stamp duty payable in connection with the hire of the Vehicle, and the management costs, administrative costs and fringe benefits tax reporting costs incurred by LeasePlan represented by the Amortisation Amount, the Interest Costs amount, the Stamp Duty amount, the Management Fee amount, the Administrative Fee amount and the FBT Reporting amount respectively shown under Total Costs in the Schedule;
 - (iii) where a seven day settlement is applicable, and an estimate of the costs actually incurred by LeasePlan under Clause 4.1, Clause 4.2, Clause 4.3, Clause 4.4 (excluding Clause 4.4(c)), Clause 5 and Clause 14 is made, that estimate shall be final and binding on the Hirer and included in final settlement calculations;
 - (iv) where a seven day settlement is applicable, and an estimate of the costs actually incurred by LeasePlan under Clause 4.1, Clause 4.2, Clause 4.3, Clause 4.4 (excluding Clause 4.4(c)), Clause 5 and Clause 14 is made, LeasePlan shall include in the Costs paid by LeasePlan component of the final settlement calculations an estimations shortfall amount which shall be advised to the Hirer in writing from time to time,

(the result being the “Costs paid by LeasePlan”);
- (c) calculate the total of the amounts paid by the Hirer in connection with the hire of the Vehicle by determining the aggregate of the Monthly Rental amounts actually paid by the Hirer to LeasePlan during the Term excluding the amounts in respect to Other Provisions (the “Total Monthly Rental”); and

- (d) calculate for each Vehicle:
 - (i) the aggregate of the Net Proceeds of Disposal and the Total Monthly Rental (the result being the **"Receipts from the Vehicle"**); and
 - (ii) the aggregate of the Residual Value and the Costs paid by LeasePlan (the result being the **"Costs of the Vehicle"**).
- (e) If the Receipts from the Vehicle exceed the Costs of the Vehicle, LeasePlan will:
 - (i) pay to the Hirer the amount by which the Receipts from the Vehicle exceed the costs of the Vehicle in accordance with Clause 7.2(g); and
 - (iii) cancel the debit or credit made to the Distance Variation Account in accordance with Clause 7.1 in respect of that Vehicle, credit or debit the Distance Variation Account with an amount equal to the amount calculated under Clause 7.1.
- (f) If the Costs of the Vehicle exceed the Receipts from the Vehicle and:
 - (i) an amount was debited to the Distance Variation Account in respect of that Vehicle, then the Hirer will pay to LeasePlan the lower of the aggregate of those amounts and the amount by which the Costs of the Vehicle exceed the Receipts from the Vehicle;
 - (ii) an amount was credited to the Distance Variation Account in respect of that Vehicle, LeasePlan will bear the amount by which the Costs of the Vehicle exceed the Receipts from the Vehicle; and
 - (iii) to cancel the debit or credit made in the Distance Variation Account in accordance with Clause 7.1 in respect of that Vehicle, credit or debit the Distance Variation Account with an amount equal to the amount calculated under Clause 7.1.
- (g) As soon as practicable after ninety (90) days (or where LeasePlan considers a seven day settlement is applicable) of the Expiry Date for a Vehicle, if Clause 7.2(e) applies, LeasePlan will, subject to Clause 7.3 and the right of LeasePlan to set off any sum payable by the Hirer to LeasePlan under any Hiring Arrangement to which the Hirer is a party, pay to the Hirer the amount referred to in Clause 7.2(e)(i).
- (h) With respect to Other Provisions, if the actual costs paid by LeasePlan under Clause 4.4(c) exceed the amounts charged by LeasePlan to the Hirer for Other Provisions, then the Hirer will reimburse the amount of the difference to LeasePlan. If the amounts charged by LeasePlan to the Hirer for Other Provisions exceeds the actual costs paid by LeasePlan under Clause 4.4(c) in respect of Other Provisions, then LeasePlan will reimburse the amount of the difference to the Hirer.

3. Final Settlement – Early Termination of Hiring Arrangement

8.2 Termination of Employment or Temporary Leave of Absence

- Add after Option A **"(Hand back the vehicle)"**.
- Add after Option B **"(Offer to Purchase at LeasePlan's nominated lease payout)"**.
- Delete: existing paragraphs after Option B and insert the following new paragraph:

If this Option B applies and the Employee wishes to keep the Vehicle subsequent to the Early Termination Date, the Employee may, with the Hirer's written consent, contact LeasePlan before the Hiring Arrangement expires and make an offer to purchase the Vehicle. LeasePlan shall consider this request and provide the Employee with a written offer setting out the price at which LeasePlan is prepared to sell the Vehicle to the Employee.

By making payment in accordance with the terms of the LeasePlan offer to sell the Vehicle to the Employee, ownership of the Vehicle will be transferred to the Employee, and the Hirer will agree to this transfer.

As soon as practicable after seven (7) days of the Early Termination Date, (or where the Vehicle is subject to an outstanding insurance claim, then as soon as practicable after the claim is settled), LeasePlan shall:

- (i) calculate the costs actually paid or incurred (or where a seven day settlement is applicable, estimate the costs actually incurred) by LeasePlan in connection with the Vehicle prior to the Early Termination Date by determining the sum of any costs paid or incurred by LeasePlan under Clause 4.1, Clause 4.3, Clause 4.4, Clause 5 and Clause 14.
- (ii) Where a seven day settlement is applicable, and an estimate of the costs actually incurred by LeasePlan under Clause 4.1, Clause 4.2, Clause 4.3, Clause 4.4 (excluding Clause 4.4(c)), Clause 5 and Clause 14 is made, that estimate shall be final and binding on the Hirer and included in final settlement calculations.
- (iii) Where a seven day settlement is applicable, and an estimate of the costs actually incurred by LeasePlan under Clause 4.1, Clause 4.2, Clause 4.3, Clause 4.4 (excluding Clause 4.4(c)), Clause 5 and Clause 14 is made, LeasePlan shall include in the Costs paid by LeasePlan component of the final settlement calculations an estimations shortfall amount which shall be advised to the Hirer in writing from time to time.

(the results being the **"Operating Costs paid by LeasePlan before Termination"**).
- (iv) calculate the total of the amounts paid by the Hirer in connection with any services provided under Clause 4.1, Clause 4.3, Clause 4.4, Clause 5 and Clause 14, by determining the aggregate of the amounts actually paid by the Hirer to LeasePlan for provision of such services prior to the Early Termination Date (the **"Operating amounts paid by the Hirer before Termination"**).

If the Operating costs paid by LeasePlan before Termination exceed the Operating amounts paid by the Hirer before Termination, LeasePlan shall debit the Early Termination Account with the difference. If the Operating amounts paid by the Hirer before Termination exceed the Operating costs paid by LeasePlan before Termination, LeasePlan shall credit the Early Termination Account with the amount of the difference.

Where the balance in the Early Termination Account is a credit LeasePlan shall pay to the Hirer the amount of the credit balance and debit the Early Termination Account with an amount equal to that payment. If the balance of the Early Termination Account is a debit, the Hirer shall pay to LeasePlan the amount of such debit balance and LeasePlan will credit the Early Termination Account with an amount equal to that receipt

Where Option B is not applied, termination will be effected under Option A.

8.3 Early Termination – Other Reasons

Delete existing Clause 8.3 and insert the following new Clause 8.3:

8.3 Early Termination - Other Reasons

If this Clause 8.3 applies, then the Employee may elect to offer to purchase the Vehicle as per Option B above otherwise the Vehicle must be returned to LeasePlan for sale and Option C below shall apply to the termination of the Hiring Arrangement.

Option C (Return the Vehicle for Sale)

If this Option C applies, LeasePlan shall, subsequent to the Early Termination Date:

- (a) (i) dispose of the Vehicle as soon as it is in Good Condition. If the proceeds of disposal of the Vehicle after deduction of all expenses incurred in relation to such disposal, including, without limitation, the Costs of Restoring the Vehicle to Good Condition, are less than the difference between the cost of the Vehicle and the Cumulative Depreciation at the date such proceeds are received, LeasePlan will debit the Early Termination Account with the amount of the difference. If such net proceeds are more at the date such proceeds are received, LeasePlan will credit the Early Termination Account with the amount of the difference.

For the purpose of this Clause, Cumulative Depreciation will be the amount shown under the heading "Cumulative Depreciation" determined in accordance with the method implicit in the annexure to this Agreement for the number of whole months which have elapsed from the Contract Start Date to the date the proceeds of sale of the Vehicle are received by LeasePlan; and

- (ii) calculate the costs actually paid or incurred by LeasePlan in connection with the Vehicle prior to the Early Termination Date by determining the sum of any costs paid or incurred by LeasePlan under Clause 4.1, Clause 4.3, Clause 4.4, Clause 5 and Clause 14, (the result being the **"Operating costs paid by LeasePlan before Termination"**); and
- (ii) calculate the total of the amounts paid by the Hirer in connection with any services provided under Clause 4.1, Clause 4.3, Clause 4.4, Clause 5 and Clause 14, by determining the aggregate of the amounts actually paid by the Hirer to LeasePlan for provision of such services prior to the Early Termination Date (the **"Operating amounts paid by the Hirer before Termination"**).
- (b) If the Operating costs paid by LeasePlan before Termination exceed the Operating amounts paid by the Hirer before Termination, LeasePlan shall debit the Early Termination Account with the difference. If the Operating amounts paid by the Hirer before Termination exceed the Operating costs paid by LeasePlan before Termination, LeasePlan shall credit the Early Termination Account with the amount of the difference.
- (c) As soon as practicable after 90 (ninety days) of the Early Termination Date, if the balance in the Early Termination Account is a credit LeasePlan shall pay to the Hirer the amount of the credit balance and debit the Early Termination Account with an amount equal to that payment. If the balance of the Early Termination Account is a debit, the Hirer shall pay to LeasePlan the amount of such debit balance and LeasePlan will credit the Early Termination Account with an amount equal to that receipt

Delete heading Option D and all subsequent paragraphs under this heading.