

*"Simple Leasing Solution with Ownership"*



# Lease2own

Self Selection Policy for Pre-Owned vehicles.

SSP-v25

## A. Pre-Owned Vehicle Selection Guidelines:

1. This policy applies to the lease of passenger motor vehicles and/or light commercial vehicles (vans or trucks with a Gross Vehicle Mass (GVM) under 4.5 tonnes).
2. All selected pre-owned passenger vehicles must be no more than 8 years old at the time of lease expiry. For commercial vehicles or trucks under 4.5T GVM, the age limit is 10 years at lease expiry.
3. All vehicles must have warranty coverage that is valid for the full lease term.a) If a balance of manufacturer's warranty remains, an external extended warranty must be added to cover the remaining lease term.b) Pre-owned vehicle warranties are acceptable, and their policies and costs may vary depending on vehicle selection and warranty provider approval.
4. All vehicle acquisitions must be approved by Drive2go and preferably purchased from a licensed motor vehicle dealer recognised as a preferred supplier.
5. The purchase price of the selected vehicle is subject to market value verification using third-party valuation sources (e.g., RedBook.com.au, Glass's Guide) to assess lease asset thresholds.
  - a) Where the selected vehicle's cost exceeds market valuation thresholds, the difference may be payable by the applicant directly to the supplier.
6. Aftermarket accessories and/or business advertising materials are only acceptable if:
  - a) They are considered portable and removable; and
  - b) They do not cause permanent damage or alterations to the leased vehicle or asset.
7. A lease bond and/or deposit may apply to each lease application and is subject to individual business applicant assessment.
  - a) This bond or deposit is payable prior to vehicle pickup or lease commencement.
  - b) It may be considered as a minimum initial payment and applied toward the final asset purchase price.
  - c) Any applicable payment must be made directly to the vehicle supplier.

## B. Warranty Coverage for Pre-Owned Vehicles:

1. Lease2own requires that all leased vehicles maintain valid warranty coverage for the entire duration of the lease term.
2. If a manufacturer's warranty remains active during any portion of the lease term, the applicant must ensure that a suitable extended warranty is arranged to cover the remaining term.
3. Lease2own may also provide a pre-approved warranty solution covering mechanical failure claims (including parts and labour), up to \$5,000 per claim, subject to vehicle eligibility and selected warranty category.
4. Warranty categories are determined based on vehicle type, model, age, mileage, and associated risk profile.
5. Warranty exclusions include, but are not limited to:
  - a) General wear and tear;
  - b) Scheduled maintenance or servicing;
  - c) Negligence, misuse, or unauthorised modifications.
6. Warranty coverage may be voided if the vehicle is:
  - a) Significantly modified; or
  - b) Altered in ways that compromise its mechanical integrity or deviate from manufacturer specifications.

## C. Market Value Assessment:

1. Vehicle values will be assessed using third-party market data providers such as:

- RedBook.com.au
- glassesguide.com.au

2. Market value is determined based on the individual vehicle's:

- Model specifications;
- Odometer reading (kilometers travelled);
- Condition;
- Stock availability;
- Fair market comparison.

The market valuation will be used in conjunction with Lease2own's loan-to-value ratio to determine leasing eligibility for the selected vehicle.

## D. Exclusions and Special Considerations:

1. Any vehicle that does not comply with Lease2own's self-selection criteria will be deemed ineligible.
2. Lease2own may, at its sole discretion, consider exceptions for unique vehicle requests or operational requirements. Any such exception is subject to prior written approval and may exclude certain operational costs from standard lease terms.

### ACL Exemption Alignment Notice:

This policy and the Lease2own product are structured in compliance with the exemption provisions under the National Consumer Credit Protection Act 2009, and as such, do not constitute a credit contract under the National Credit Code (NCC). Lease2own operates as a consumer lease provider that is exempt from holding an Australian Credit Licence (ACL), as the agreements do not offer credit but are structured as regulated or exempt consumer leases.