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## **GM HOLDEN USED VEHICLE SALES AND TAGGED VEHICLE POLICY**

<b>Last Updated:</b> 1/12/2010	<b>Current Update By:</b> Rob Eldred	<b>Process Owner:</b> Operations Manager CVO	<b>Revision No:</b> 1.10 <b>Effective From:</b> 1/12/2010	<b>Policy Owner:</b> Executive Director Finance
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### **1. Purpose**

To communicate Holden's Policies and Procedures regarding the purchase of used vehicles by eligible participants. (This policy updates the Holden Used Vehicle Sales and Tagged Vehicle Policy Revision 1.9 dated 17/10/2005)

### **2. Definitions**

- "Holden" means GM Holden Ltd.
- "HR" means Holden's Human Resources Department
- "CVO" means Company Vehicle Operations

### **3. Eligibility For Used Vehicle Purchases**

All permanent Holden employees (full time and part time), retirees and all their family members and friends including business associates are eligible to purchase used vehicles from Holden at wholesale dealer prices as specified in this Policy.

Other eligible participants for used vehicle sales at used wholesale prices are:

- Current Contract Employees (full-time and part-time), co-op students and apprentices
- Surviving spouse/partner of deceased retirees (who has not remarried)
- Surviving partner of an employee who dies while in employment with Holden. The surviving partner can also nominate one other member of the employee's family entitling them to purchase one car within 12 months of the employee's death.
- Employees who have completed 20 years of service or are aged 55 or over and separate from Holden under a Special Separation Program will be entitled to the same purchase provisions as retirees
- Employees with less than 20 years of service or are less than 55 years of age and separate from Holden under a Special Separation Program will, for a period not exceeding 9 months from the date of separation, be entitled to the same purchase provisions as retirees
- Employees who separate from Holden with a Total Permanent Disability benefit (or their surviving spouse or partner), regardless of age, will be entitled to the same purchase provisions as retirees
- Employees of General Motors Corporation (GMC) – Australian subsidiaries.
- GMC Retirees living in Australia\* and Overseas GMC subsidiaries employees family members living in Australia
- Employees of EDS (Australia) Pty Ltd working on Holden Contract & ex Holden employees who transferred to EDS 1985-1988



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- Associated Companies, GMH Credit Co-Op Ltd, Holden Canteen Society, Envirohealth Medical Services Provider

### 3.1 Vehicle Entitlements

Eligible participants are entitled to a maximum of two (2) used vehicles in any calendar year including vehicles sold to friends and associates.

For the purposes of entitlement, Dealer Demonstrator Program Vehicles will be treated as a new vehicle.

Purchased vehicles must be registered in the name of the eligible participant. Vehicles cannot be registered in a company or business name.

Used vehicle purchases must be held by the eligible participant for a minimum of eight (8) months.

### 3.2 Eligible Vehicles

Vehicles available for purchase under this Policy are ex Company Assigned, Job Required Travel Vehicles and Lease Vehicles.

Modified vehicles, test vehicles and Engineering vehicles defleeted from company service will not be available for sale under this policy. In addition, used vehicles which are newly released vehicle series leaving the company fleet for the first time are not available for purchase under this policy.

The driver of a Lease Vehicle has first option to submit a Tagged Vehicle Form in relation to their Lease Vehicle

Subject to the exception above, any employee can reserve an eligible vehicle and have first option to purchase the vehicle by completing a Tagged Vehicle Form. The completed Tagged Vehicle Form should be handed to the CVO.

More than one Tagged Vehicle Form can be placed on a vehicle, however the vehicle will be offered first to the vehicle operator then in strict chronological order starting with the first Tagged Vehicle Form received by CVO.

### 3.3 Used Vehicle Pricing Method

Any price quoted for the vehicle at the time the Tagged Vehicle Form is submitted will only be a guide. The actual price of the vehicle will be determined once the vehicle is returned to CVO (Port Melbourne or Elizabeth) or the Zone Office and actual odometer readings are made available

The price of any vehicle is determined by Finance periodically and reflects the average price for each vehicle line obtained at the Holden dealer wholesale auctions for used vehicles over the previous two months. The final price will comprehend kilometres travelled and registration remaining on the vehicle



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Where the vehicle is being purchased from interstate the cost of freight is borne by the purchaser.

Once the vehicle is returned to CVO from company service, the employee nominated on the Tagged Vehicle Form will be contacted and given a firm price. The employee then has 48 hours to decide whether they want to purchase the vehicle. At the expiration of 48 hours or the decline to purchase the vehicle is confirmed by the employee, the vehicle will be offered for purchase to any other Tagged Vehicle Form reservations.

The only exception to this is where an employee is retiring or is participating in an early retirement scheme, they will have the first right of purchase on eligible vehicles, overriding a Tagged Vehicle Form on the vehicle.

Where all Tagged Vehicle Form reservations have been declined, the vehicle is then available for sale on a first come first served basis.

### 3.4 Non Tagged Vehicles

Eligible vehicles returned which have passed vehicle inspection are available for sale to eligible participants on a first come first served basis using the pricing methodology described above. A static display of used vehicles for employee sale will be provided at the CVO at Port Melbourne and Elizabeth.

The conditions of purchase are as follows:

- Warranty provided will be 3 years/100,000 km whichever occurs first commencing from the date of purchase from CVO. Certain aged used vehicles will be sold with the minimum warranty of 3 months/5,000 kms.
- Used vehicles are offered in an “as is” “with all faults if any” condition
- No additional accessories or options will be fitted to the vehicle by CVO
- Balance, if any, of roadside service applies
- All warranty repairs or services are to be carried out by registered Holden Dealers or authorised service outlets

## 4. **Used Vehicle Sales Process**

For eligible participants to purchase a used vehicle they have either tagged or not tagged, they must follow the process below:

1. Eligible participants must attend CVO at Port Melbourne or Elizabeth or see the Sales Zone representatives in NSW, QLD or WA;
2. Present the following supporting documentation to CVO or the Zone Office;
  - A copy of the eligible participants drivers licence;
  - A copy of the employee’s Holden ID;
  - If the employee is permanent part-time or an eligible current contract employee, a letter from HR verifying their status;
  - For retirees, evidence of eligibility by presentation of their Gold Pass or a letter from HR verifying their status as a retiree;



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- Employees separating under a special separation program must provide documentary evidence of their eligibility;
- For eligible employees of GMC Australian Subsidiaries, EDS and Associated Companies that organisation's Personnel Department must provide Holden with a Letter of Introduction verifying their Employee's eligibility to participate in the GM Holden Vehicle Purchase Plan
- GMC Retirees or GMC Family Members living in Australia must provide a Letter of Introduction from the sponsoring GMC Personnel Department verifying their eligibility to participate in the GM Holden Vehicle Purchase Plan.

If the eligible participant refuses to supply any of the requested documentary evidence the used vehicle sale will not proceed.

3. Instructions for purchase by Friends, Family and other Associates

- All eligible participants must be introduced to Holden CVO by a Holden employee or retiree

For purposes of tracking employee entitlements and registration transfer of the used vehicle CVO will initiate a Used Vehicle Sale Form to identify the sponsoring employee and the person introduced to Holden who will purchase the used vehicle. This form is available from CVO and when completed will be maintained by the CVO office

The employee and the purchaser must complete and sign the "Used Vehicle Sale Agreement". Original of this agreement will be retained on file at CVO and a copy is given to the purchaser. Employees/Retirees making a false declaration on the agreement may be required to pay Holden the difference between the Used price of the vehicle at retail value and the concessional price paid for the vehicle, irrespective of who actually purchased the vehicle.

4. CVO or Zone representative record a used vehicle sale in the employee sales file under the eligible employee's/retiree's name.

5. The purchaser makes the payment for the used vehicle including stamp duty and registration transfer fee The method of payments are:

- Bank Cheque payable to GM Holden Ltd
- EFT Direct Deposit into GM Holden Deposit Account
- Finance Company Cheque payable to GM Holden Ltd.
- Finance Company EFT Direct Deposit into GM Holden Ltd Deposit Account.

Verification of EFT Direct Deposit must be obtained prior to the release of the vehicle

6. CVO will generate a tax invoice and provide a copy to the purchaser

## **6. Policy Breaches**



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Policy breaches by employees may result in penalties including dismissal from employment with Holden or exclusion temporarily or permanently from any future purchase under this or other Vehicle Purchase Policies

For retiree policy breaches the retiree may be excluded temporarily or permanently from any future purchases under this or other Vehicle Purchase Policies.

**7. Amendment or Termination of Used Vehicle Sales and Tagged Vehicle Policy**

GM Holden Ltd reserves the right to cease, or change the terms and conditions of this Policy at its discretion.