

# Assumption Process Overview

The Assumption Process is completed in three stages. The following information details what occurs in each of the assumption stages.

Please note BMW Financial Services will not act as a mediator regarding arrangements made between the Transferor and the Transferee. This process cannot be expedited or delayed for any reason once we have received the required documents. Should the process exceed 60 days from the credit application submission date, it will automatically be cancelled and a new credit application and application fee will be required to initiate the process again.

## Stage 1 - Credit review process

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The Transferor contacts BMW Financial Services to provide his or her current and valid email address, the name of the Transferee and the Transferee's email address. If there are more than six (6) months remaining on the term of the lease and the account is current, BMW Financial Services will mark the account "Assumable" and bill the account for the \$500.00 Assumption Processing Fee, plus any applicable sales tax.

A credit application link will be sent electronically to the Transferee and both parties will receive updates and documentation electronically throughout the Assumption Process.

The Transferee must click on the link to submit a credit application to BMW Financial Services. The credit application can only be submitted once the \$500.00 Assumption Processing Fee plus any applicable state sales tax has been paid. It is the responsibility of both parties to determine who will pay the fees and taxes. We will accept the payment in full by one party only. We cannot accept partial payment from either party. The payment can be made online by the Transferee at the time of the credit application submission. If the Transferor will be making the payment they can do so by contacting a Customer Service Advocate at (800) 578-5000 or online at [bmwusa.com](http://bmwusa.com).

BMW Financial Services will inform the applicant of a credit decision by email within 48 business hours. This information can only be given to the Transferee. Please understand we are bound by privacy laws and cannot discuss any aspect of the credit decision with the Transferor or any third party.

If the lease assumption is cancelled before completion, or if the Transferee is not credit approved, BMW Financial Services will retain \$100.00 plus applicable state sales taxes as a processing fee. The balance of the Assumption Processing Fee will be refunded.

## Stage 2 - Completion / verification of assumption documents

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Upon credit approval of the Transferee, BMW Financial Services will send the required assumption documents to each party by email within 24 to 48 business hours. Each party will receive their own document package for completion. Please print and complete the document package as instructed. Both parties must complete and return the Stage 2 documents within three to five business days.

Return the documents with the original signatures to:

BMW Financial Services  
ATTN: Assumptions Department  
5550 Britton Parkway  
Hilliard OH 43026

At this time, the Transferee must contact their insurance company to add the vehicle to his or her insurance policy with an effective date within ten days to insure the vehicle.

Certain states require BMW Financial Services to order a paper title to complete the vehicle registration for the assumption. If a paper title is ordered please expect an additional 7-10 business days to complete the Assumption Process.

Upon receipt of the completed documents from both parties, BMW Financial Services will verify all documents have been sent and filled out correctly and the insurance policy coverage is correct.

If the documents were not completed correctly or we are missing required information, BMW Financial Services will contact the appropriate party by email within three to five business days to advise the appropriate party of the error.

### **Stage 3 - Release of Liability / Registration Documents**

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After verification that Stage 2 documents were completed correctly, BMW Financial Services will prepare a final set of documents which will include a confirmation letter indicating we have received all of the documents required to complete the financial part of the Assumption Process.

**Transferee:** The Transferee's documents will include the necessary information to allow the Transferee to register the vehicle at their local Department of Motor Vehicles. These documents will be mailed by second day delivery to the Transferee.

**Transferor:** A confirmation letter will be mailed by United States Postal Mail and emailed to the Transferor. Upon receiving this letter, the Transferor is required to release the vehicle to the Transferee and may cancel the registration, insurance and license plates. The transferor may need to send BMW Financial Services a copy of the plate cancellation or plate transfer form the DMV when required by their state.

Upon completion of the Assumption Process, the Transferor is fully released from financial liability of the account.

## Overview of the Assumption Timeline

It may take up to three weeks for all parties to complete the Assumption Process. This timeline can increase or decrease depending upon how quickly we receive accurate documents from both parties.

If the account becomes past due or if the documents are missing any information, the process will be delayed.

Listed below is the timeline of the Assumption Process:

BMW Financial Services	Transferor/ Transferee
<b>Stage 1</b>	The Transferor notifies BMW FS of the Transferee's name and email address
Account is marked "Assumable" and the Credit Application is sent to the Transferee via email	
	Credit Application Submitted
Credit Application Decision	
Stage 2 Documents emailed (Only if Credit has been Approved)	<b>Stage 2</b>
	Stage 2 Documents Completed and Returned to BMW FS
Validation of Stage 2 Documents	
Stage 3 Documents Completed	<b>Stage 3</b>
Stage 3 Documents Sent via email and Mail	
	Transfer of Vehicle
	Vehicle Registration
The Assumption Process is complete	

# Frequently Asked Assumption Process Questions

## Who is responsible for the potential end of lease charges?

The person or entity who assumes the lease (the Transferee) is responsible for all charges at the end of the lease. The Transferee is assuming the remainder of existing lease and is responsible for all the terms of the original lease agreement, including the obligation to pay an end of lease charges such as a disposition fee, excess mileage fees, and excess wear and use (regardless of when during the lease term the excess wear and use occurred). All potential end of lease charges are outlined in the original lease agreement. Contact the Transferor to obtain the amount of allowed miles under the terms of the lease agreement.

## What happens to the security deposit when the lease is assumed?

Not all leases have a security deposit. If there is a security deposit, it will be transferred to the Transferee.

## Are there any other fees or taxes involved in lease assumptions?

As with any change of "ownership" there may be vehicle licensing or registration fees required by the state. Policies vary by state. Some states may require the payment of up front taxes in addition to the use tax normally associated with leases even if you have just paid a tax. States known to BMW Financial Services that impose an up front sales tax include **DE, IL, GA, VA, MD, NJ, NY, OH, TX, and VA. There are also several states that charge BMW Financial Services directly for personal property tax or excise tax on leased vehicles. These states include AR, CT, MA, MO, RI, TX, VA, and WV. In accordance with the lease agreement, the tax will be billed to your account.** If either party is unsure about their state's Laws or regulations please check with the agency that handles taxes (Tax Authority) for their state.

## Can the lease assumption documents be faxed back instead of sending the originals?

No. We require original documents with original signatures for our records.

## What documents will the Transferee receive in the Stage 3 paperwork?

The Transferee will receive documents needed to register the vehicle in his or her name. The documents will include the necessary Power of Attorney documents and forms required by the Department of Motor Vehicles and the original title of the vehicle.

## What should be done with the Transferor's license plates?

Each state has its own policies on what should be done with the license plates. To ensure the plates are handled correctly, it is important you contact the Department of Motor Vehicles. This may prevent additional charges and fines.

## Can the lease Assumption Process be expedited?

No. BMW Financial Services processes assumptions on a first come, first serve basis. The best way to expedite your Assumption Process is to read all instructions carefully, submit the necessary information and return the completed documents to BMW Financial Services as quickly as possible.

## How many months must be remaining on the lease in order to start an assumption?

There must be six months or more remaining on the original lease agreement in order to start the Assumption Process.

## Do I need a paper title?

Certain states require BMW Financial Services to order a paper title to complete the vehicle registration for the assumption. If a paper title is ordered please expect an additional 7-10 business days to complete the Assumption Process. If you have any questions please contact a Customer Service Advocate at (800) 578-5000, Monday through Thursday, 9:00 a.m. to 9:00 p.m. ET, and from 9:00 a.m. to 6:00 p.m. ET on Friday.