

## SAMPLE HIRE AGREEMENT

This agreement is regulated by the Consumer Credit Act of 1974

This is a Hire Agreement regulated by the Consumer Credit Act 1974.

Sign only if you accept to be legally bound by its terms.

<b>Employer's Name:</b>	<b>(insert name)</b>
<b>Employer's Name and address:</b>	
<b>Employee Name and address:</b>	
<b>Hire Start date:</b>	
<b>Equipment cost</b>	<b>£1,000 inc VAT</b>
<b>Gross salary sacrifice*</b>	<b>£73.23 x 12 = £878.76</b>
<b>Net salary sacrifice</b>	<b>£49.80 x 12 = £597.60</b>
<b>Hire terms:</b>	<b>11 x £49.80 inc VAT</b>
<b>Buyout at month 12th:</b>	<b>£49.80 inc VAT</b>
<b>Signatures:</b>	
<b>Hirer (employee):</b>	
<b>Employer:</b>	
<b>Signature date:</b>	

\*The exact amount may vary depending on your tax rate, please check with HR department. The estimate is based on employer reclaiming £121.27 from employer's national insurance contribution (13.8% on £878.76).

### Main Financial Information

The Goods are the electric bicycle and any related safety equipment supplied by \_\_\_\_\_

Additional payments will include:

- The cost of replacing damaged or lost Goods.
- A Termination Payment of an amount which does not exceed any Monthly Hire Payments which are outstanding, payable in accordance with the Terms and Conditions as detailed below.

If you breach any of the obligations under this Hire Agreement because of loss or damage to the Goods or because your employment ends we will recover from you our reasonable costs and expenses incurred in enforcing this Agreement in addition to any costs incurred to make good the loss as detailed in the Terms and Conditions below.

## **CANCELLATION**

You do not have any right to cancel this Agreement once it has been signed.

## **IMPORTANT – READ THIS CAREFULLY TO LEARN ABOUT YOUR RIGHTS**

The Consumer Credit Act 1974 covers this Agreement and lays down certain requirements for your protection. These requirements should be complied with at the time the Agreement is made. If they are not complied with, your Employer cannot enforce this Agreement against you without first obtaining a Court Order.

If you would like to know more about your rights under the Consumer Credit Act, you should either get in touch with your local Citizens' Advice Bureau or your nearest Trading Standards Office.

This is a Hire Agreement regulated by the Consumer Credit Act 1974. You must only sign it if you agree to be legally bound by all its terms. If you do not accept this, you must not sign the Agreement.

Under this Agreement the Goods (Woosh Electric Bicycle and any associated equipment) do not become your property. You are not therefore permitted to sell them.

## **THIS AGREEMENT COMPRISES THE FOLLOWING:**

**1 THIS SHEET**

**2 THE TERMS AND CONDITIONS INCLUDING SALARY SACRIFICE PROVISIONS  
OVERLEAF**

**IN TOTAL THERE ARE 6 PAGES.**

**You should read the whole of this document thoroughly before you decide whether to enter into this Hire Agreement. If you are not sure, we recommend you obtain advice from an independent party.**

**WARNING: PLEASE READ THIS CAREFULLY.**

**ALTHOUGH RIDING A WOOSH ELECTRIC BIKE IS EXTREMELY EASY, IT MAY NOT BE SUITABLE FOR EVERYONE. IT COULD RESULT IN INJURY EITHER TO YOURSELF OR TO ANOTHER PARTY. BEFORE DECIDING TO PURCHASE AND RIDING THE BIKE, YOU SHOULD SATISFY YOURSELF THAT YOU ARE MEDICALLY FIT TO DO SO. IF IN DOUBT, OR IF YOU ARE TAKING ANY MEDICATION OR YOU ARE PREGANT, YOU SHOULD CONSULT YOUR GP. WOOSH BIKES LTD ACCEPTS NO LIABILITY FOR AN ACCIDENT CAUSED AS A RESULT OF YOUR OWN NEGLIGENCE IN THIS RESPECT.**

**WE WOULD ALSO ADVISE YOU TO LEARN THE CURRENT HIGHWAY CODE BEFORE RIDING A BICYCLE ON ANY ROAD.**

### **1 Letting and usage of the Goods**

We are letting the Goods and you are hiring the Goods for a Fixed Period. The Goods are for the purpose of riding to work for at least 50% of the usage time, and for your own personal use for the remaining time. In order to collect your Goods from Woosh Bikes Limited or any of its appointed agents, you will need identification acceptable to Woosh Bikes Limited. The Goods may only be collected from Woosh Bikes Limited or an appointed Agent. They will be subject to availability and to our acceptance to partake in funding this scheme. If the Goods are not available from stock or the scheme is no longer in operation, we shall cancel the Hire Agreement without liability to yourself.

### **2 Acknowledgement and Eligibility**

The Cycle to Work Scheme is an incentive arranged by the UK Government. To be eligible for the Scheme you must be a UK taxpayer aged 18 or over. You should have passed any probationary period and be earning at least the minimum wage during the time the salary sacrifice is being made. Tax exemptions will not apply unless you use the Goods mainly (that is for more than 50% of the usage time) for travelling to work and back. We reserve the right to declare the Goods as a benefit in kind to H M Revenue and Customs if we think it is reasonable to do so.

### **3 Salary Sacrifice and Variation of Contract**

**The Employee and the Employer hereby acknowledge that this Hire Agreement constitutes a notice of a variation to the Employee's terms of employment during the Fixed Period of Hire in accordance with the provisions of the Employment Rights Act 1996, section 4.**

**By signing this Hire Agreement you, the Employee will be agreeing to this variation in the terms and conditions of your employment as described in this Hire Agreement. You the Employee also hereby agree to abide by the conditions of this Hire Agreement.**

**You hereby authorise the Employer to reduce your salary accordingly and if you leave your Employment you authorise the Employer to make any adjustments as required to your final salary. By entering into this Hire Agreement you the Employee agree and accept that during the Fixed Period of Hire your monthly gross salary will be reduced by the amount detailed under the heading Hire Payment within the section entitled Main Financial Information above.**

**Your gross salary will therefore be reduced for all statutory purposes, including statutory maximum pension contributions and National Insurance contributions.**

### **4 Terminating your employment**

If you the Employee leave your employment for any reason whatsoever, this Agreement will automatically be terminated. The Employer will then be entitled to recover a Termination Payment. This Termination Payment will be calculated in accordance with this clause (clause 4).

The Termination Payment will be an amount equal to all costs and expenses incurred in connection with the repossession, refurbishment and / or the disposal of the Goods.

In addition, there will be compensation costs for breach of this Hire Agreement. These will amount to a sum equal to the sum of all Hire Payments which would, if this Hire Agreement had not been terminated become due for payment under this Hire Agreement, from the date employment was terminated to the end of the Fixed Period of Hire. A discount off this sum will be offered for accelerated payment calculated at the rate of 5% on each Hire Payment from the date of termination to the dates on which the Hire Payments would have become payable if Employment had not been terminated. All sums will be less the net proceeds of sale of the Goods, if repossessed and sold or their value as reasonably determined by we, the Employer, if not sold.

- By signing this Hire Agreement you the Employee therefore consent to the Termination Payment or part of it being collected by us, the Employer, by way of a direct reduction made from your final net salary.

- You the Employee will pay the shortfall of the Termination Payment within 21 days of our (the Employer's) demand.

## **5 Absence**

If you the Employee take leave during the Fixed Hire Period for Maternity, Paternity or Adoption matters or any unpaid leave we, the Employer may at our discretion agree to your contributions being temporarily suspended for the duration of your leave. This Hire Agreement will remain in place until you the Employee begin receiving a salary or your employment ends. In this case the Termination Payment must be made. If you are absent from work because of long-term illness during the Fixed Hire period, the hire of the Goods and the reductions in your gross salary will continue.

## **6 Using and looking after the Goods**

You the Employee must not make changes, removals, additions or improvements to the Goods that might decrease their monetary or functional value . You will at all times be responsible for any costs incurred in rectifying or repairing any loss or damage to the Goods whilst they are in your possession. You must notify us, the Employer, immediately of any such loss or damage and pay any costs due immediately. We the Employer reserve the right to inspect the Goods with a period of reasonable notice.

## **7 Insurance**

You the Employee will bear the entire risk of damage, destruction, loss, seizure or theft of the Goods from the time you take delivery of the Goods . You must keep the Goods insured against loss or damage or any third party risks, which will require the Goods to be insured on your Home Contents Insurance Policy. If the Goods are lost, stolen or damaged beyond economical repair ("Total Loss") you the Employee will pay us the Employer a sum equivalent to the cost of replacing the Goods with Goods of the specification and monetary value. In this case we the Employer will then replace the Goods with identical Goods or Goods of the same or greater specification and monetary value. Unless otherwise agreed by us in writing you will not be entitled to any rebate, reduction or refund of contributions between the dates the Total Loss and replacement occurred.

## **8 Maintenance**

You the Employee must look after (maintain) the Goods in good repair and working condition and in accordance with the terms of any warranty supplied the Goods at your own expense. This does not affect your statutory rights.

## **9 Warranties and Exclusions**

We the Employer do not accept any responsibility for consequential loss or damage how ever it arises from the letting provided by this Hire Agreement unless it arises from our own act of negligence or default. Our total liability arising in connection with this Hire Agreement will not exceed a sum equal to the sum of all payments payable during the Fixed Period of Hire. Nothing in this Hire Agreement will exclude or restrict our liability for death or personal injury resulting from negligence, and neither shall we be held liable for failure to deliver the Goods on an agreed date.

## **10 Default**

- We the Employer reserve the right to terminate this Hire Agreement without prejudice to any of our other rights under this Agreement by giving you the Employee written notice should any of the following events occur, each event being considered a default.
- You have submitted false information to us in connection with this Hire Agreement,
- You have breached this Hire Agreement and whilst you could have rectified that breach within ten (10) business days of its occurrence, you did not do so
- You use the Goods to settle a debt with or a judgement from the third party
- Any other event occurs which might prejudice our interest in the Goods
- If we the Employer give you the Employee notice under this clause (clause 9), you will no longer be in possession of the Goods with our consent. You will then have to pay us the Termination Payment as set out in clause 4 above.

## **11 Return of the Goods**

Upon expiry of this Hire Agreement you the Employee must return the Goods to us the Employer. We reserve the right to dispose of them for a sum equating to a fair market value. This may be 18 per cent of the value when purchased but this is not a contractual right and may be subject to negotiation and agreement in the future.

## **12 General clause**

If we the Employer fail to enforce any of our rights under this Hire Agreement this will not be taken as such rights are waived, breached or forfeited. No clause or wording in this Hire Agreement will confer any benefit on any third party and no third party will have the right to enforce any terms of this Hire Agreement. This Hire Agreement will be governed by the laws of England and Wales.

## **13 Personal Information**

You the Employee hereby agree that we the Employer may hold and process personal information about you which relates to this Hire Agreement. This information will only be obtained to implement the scheme and to confirm your employment status. In order to help us carry out any or all of the above purposes you hereby consent to our providing or sharing this information with Woosh Bikes Limited or any other equipment suppliers or service providers.

Signed for or on behalf of the Employer

.....  
.

Name (please print) .....Status:.....

Signature for Employee

.....  
.....

Full name (please print) :.....

Date of signature(s).....

Please note that the date on which the signatures are made is the date of the Hire Agreement