

Contract Hire Car Salary Sacrifice Scheme Scheme Rules - Terms & Conditions of Use

Introduction

1. The scheme shall be known as the Car Salary Sacrifice Scheme, hereafter referred to as 'the scheme'.

Definitions

"The employer" shall mean the Organisation offering the scheme
"The employee" shall mean an employee of the Organisation entering into this agreement.
"Line manager" shall mean the employees direct manager
"Scheme" shall mean the Car Salary Sacrifice Scheme.
"Scheme Manager" shall mean CLM Fleet Management PLC

Eligibility

2. At their discretion, the employer may invite or permit any member of their staff to join the scheme on completion of probation. All new cars provided will be subject to the terms and conditions contained herein.

Duration of Scheme

3. Entry to the scheme will be voluntary but employees who decide to enter the scheme will sign an undertaking with their employer to participate in the scheme and to agree to a salary sacrifice arrangement for a set period (normally three years) or any such other period that is agreed.

Note: The scheme will place a long term financial commitment on employees, and employees should study carefully all the conditions contained in this document and the quote before applying to join. Employees submitting an online application and signing an agreement will be deemed to have entered into a binding long term agreement.

4. The scheme is based on a binding agreement between the employer and a specified named person (hereafter referred to as 'The Employee').

Cancellation Charge

5. If you cancel the order, you will be required to meet all costs associated with the cancellation from your net salary. You are advised to contact the scheme manager before you cancel the order. An administration charge will also apply, and this will be advised at the time of cancellation.

Data Protection

6. Confidentiality will be assured throughout your contract period, information you provide will be used primarily for the provision of management and support services to you but also in related purposes including: updating and enhancing client records, analysis to help us to manage our service, statutory returns, legal and regulatory compliance.

CLM Fleet Management PLC and Knowles Associates Total Fleet Management Limited will only collect information from an individual that is necessary and adequate for the performance of our service to that party. All data will be fairly and lawfully processed, and accuracy of data will be paramount. All information will be secure at all times and processed in accordance with the Data Protection Act 2018 and GDPR 2016/679.

We will use your data for the purpose of managing the lease contract and we will only share your data with suppliers where it is necessary to enable them to carry out their contractual obligations. In addition, we will share data where we are required to by law or under a statutory obligation.

We will maintain our data protection register and make certain that our licence is current. We will ensure that our suppliers or third parties conform to the requirements of the data protection act.

More information regarding the use of data can be found in the CLM Privacy Policy <http://www.CLM.co.uk> and the Knowles Associates Privacy policy.

The Nature of the Scheme

7. Under the scheme, in return for an agreed reduction in motoring expenditure allowance (if received) and then salary, the employer shall arrange through a contract hire company for the employee to be provided with a new motor vehicle as specified which will be taxed and fully maintained by the contract hire company. In addition, full comprehensive insurance cover will be arranged on behalf of the employee. The employer reserves the right to turn down a vehicle selection if it is considered inappropriate.
8. The employee is required, as a condition of the car being made available for their private use, to enter into a salary sacrifice agreement with the employer in return for the full cost of the car and services being provided by the employer.

The monthly reduction in motoring expenditure allowance (if received) and then salary will be determined by the employer at the beginning of the agreement. The reduction in motoring expenditure allowance and salary will be shown on the salary sacrifice agreement as a combined amount and described as a reduction to gross salary.

9. The Lease car payment can be adjusted (subject to entering a new salary sacrifice agreement and changes to terms & conditions) for any variations between the estimated and actual mileage upon request from the driver or following a recommendation by the scheme manager.
10. The employer reserves the right to discontinue the scheme at the end of the agreement and decline any application should it be determined that it is not in the best interest of the employer or employee.

Reimbursement of fuel for business use

11. Employees will be required to fuel their lease car and submit monthly mileage logs/returns showing all business and private mileage where appropriate.
12. The lease rental charge may be adjusted (subject to entering a new salary sacrifice agreement and changes to terms & conditions) at any stage of the contract due to any variations between the estimated and actual mileage resulting from a lifestyle change. Mileage adjustments can be made at the request of the driver or following a recommendation by the scheme manager. Although the scheme manager will endeavour to inform the driver of any variations it is the driver's responsibility to inform the scheme manager of any variations to the contract mileage.
13. Failure to submit mileage logs/returns will result in any fuel reimbursement not being paid. It will be at the employer's discretion if reimbursement is made for a late return.

TERMS & CONDITIONS OF USE

Hire

14. The employer has agreed to provide the vehicle to the employee in return for a reduction in motoring expenditure allowance (if received) and then salary and the employee shall take the vehicle described in the Schedule. The word "Vehicle" shall include all and any replacements of component parts and all additions and accessories in any way affixed to the Vehicle during the subsistence of this Agreement subject to the terms and conditions set out in this agreement, including the schedule, for the period or hire and rental stated in the Schedule.
15. The employee chooses to enter into such an agreement for use in the performance of his/her duties and/or for social, domestic and pleasure purposes. The employee acknowledges that he/she has selected the vehicle and that the employer has entered into a contract hire agreement with the leasing company for the purposes of this agreement at the request of the employee. A copy of the leasing company agreement will be made available on request.

Payment

16. The employee agrees to enter into a salary sacrifice agreement which will result in the reduction in their motoring expenditure allowance (if received) and then salary in return for the employer meeting the costs of the monthly hire payment. The employee authorises any other amounts, which may be due or become due under any part of this Agreement, will be deducted from net remuneration. These will include but not be restricted to the following:
 - a. Any excess mileage charge during the agreement period and on return of the car.
 - b. Any charges resulting from excess wear and tear at the end of the agreement or on return of the car.
 - c. Any payment for fixed penalty fines, parking fines, parking charges or any other costs for motoring offences charged to the employer including administration fees.
 - d. Any early termination penalty that is attributable to the employee.
 - e. Any insurance policy excess charges imposed that may be attributed to the employee.
 - f. Any increase due to government policy changes or legislation (e.g. tax legislation changes – Road Fund Licence, VAT etc.)
 - g. Any other charges imposed in connection with the vehicle that may be attributed to the employee.

Employee's Obligation

17. The employee agrees to enter into a salary sacrifice agreement, which will result in a reduction to their motoring expenditure allowance (if received) and then salary, in return the employer meeting the costs of the rentals. The employee shall pay excess mileage charge (if any) specified in the schedule and all other moneys falling due under the terms of this agreement punctually at the times specified in the schedule or elsewhere in this agreement or at such other times as the employer may notify to the hirer. Any such payment must include the appropriate amount of VAT.
18. Throughout the period of hire the employee agrees that he will not use or cause the vehicle to be used in any way that may result in the breach of any of the covenants, restrictions and any stipulations contained in this agreement

Salary Sacrifice Agreement

19. HMRC will only allow an employee to, opt out of a salary sacrifice arrangement/agreement where a lifestyle change "significantly alters" employee's financial circumstances. The employee has the burden of proof to provide evidence to validate the claim. Should HMRC audit the agreement and feel that a significant lifestyle change has not occurred then you may be liable for repayment of any income tax and National Insurance Contributions arising.

Penalty Notices, Fines and Charges

20. Initially the issuing authority, whether it is the police, local authority or private parking company will apply to the DVLA to establish the registered keeper of the vehicle and in most cases, this will be the leasing company.
21. The vehicle keeper (leasing company) will pay the fine and recharge the cost plus an additional administration fee. Please note once the fine has been paid it will not be possible to make a representation or challenge the notice.
22. Any penalty notices, fines and charges, will be recharged to the employee.

Exclusion of Liability

23. Except in respect of death or personal injury arising as a result of the negligence of the employer or its employees (other than the employee leasing the vehicle) the employer shall not be liable for any damage, loss, charges or expenses arising out of or in consequence of the use of or any accident involving the vehicle.
24. The employee hereby undertakes to indemnify and keep indemnified the employer and the leasing company from any liability arising from death or personal injury or damage to or theft or loss of property caused by or to the vehicle, unless such death, injury or damage is caused by the negligence of the employer or the leasing company (as appropriate) or his/her respective employees (except the employee leasing the vehicle) or agents.

COSTS BORNE BY THE EMPLOYEE

Monthly Payment

25. The employee agrees to the monthly salary sacrifice reductions at the commencement of the agreement and shown on the quotation form and confirmed on the signed agreement. The variation to your Terms of Employment will commence on delivery of the vehicle and remain in force for the period of the car lease or the date the vehicle is returned if later.
26. On entering into the salary sacrifice agreement, the employee will have established and accepted any effect of this agreement may have on their financial or personal circumstances.
27. Where an employee has a period of absence with reduced or zero pay e.g. long-term sickness, maternity or other types of family leave, the employee can normally retain the vehicle and continue to make payments to the employer via salary sacrifice providing the employee's basic pay does not reduce below the national living/minimum wage. In some circumstances with the agreement of the employer the vehicle can be returned, and the contract terminated. The employee should refer to the relevant policy documents for further information relating to family leave, sickness, sabbatical or unpaid leave.
28. If a lifestyle change results in the risk of employee falling below the national minimum wage or national living wage the employee is entitled to opt out of the salary sacrifice scheme. In some circumstances with the agreement of the employer the vehicle can be returned.

Variation to Charges

29. The lease car payment may be varied by the employer to take into account any increases resulting from changes to government policy changes or legislation (e.g. tax legislation changes – Road Fund Licence, VAT etc.) or contract hire variations due to changes in mileage. In these circumstances the employer or scheme manager will make every reasonable effort to notify employees of changes in advance, but it will not accept liability for additional costs.
30. Additional costs attributable to the employee will be those arising from employee's actions or from misuse, negligence or breach of the contract conditions contained herein or contained within the manufacturers handbooks and other publications issued from time to time. Failure to ensure that the vehicle is serviced at the recommended intervals or failure to maintain correct air and fluid levels will constitute negligence or breach of contract and may result in additional costs being levied on the employee.
31. The salary sacrifice reduction will be based on the latest price issued by the supplier applicable at the time of delivery of the vehicle. The price may vary from the quotation provided at the time of application. The employer and scheme manager will make every reasonable effort to notify employees of changes, but it will not accept any liability for an increase in reductions.
32. Should any modifications be required to the vehicle due to statute, the employee will bear the cost.
33. The employee will pay for all fuel, the provision of all vehicle top-up fluids and car cleaning.
34. The employee will pay any fines or penalties incurred by the leased car and issued by any Local Authority or Police. The employee will also pay any parking charge raised by a private parking company in accordance with the Protection of Freedoms Act 2012. The employee will also pay any reasonable related legal, administrative or maintenance costs which arise from such acts. In certain circumstances an administration charge may apply.
35. The employee will pay any insurance policy excess charges, for claims for accidental damage, fire or theft, including windscreens, window glass, mirrors and headlight replacement as they apply to the insurance policy in force at the time.
36. The employee will pay the costs of repairs and replacements to the car made necessary as a result of abuse or neglect of the vehicle. Any such costs, that the employer considers having been caused by such abuse or neglect, must be reimbursed to the employer by the employee on receipt of an account for the amount due.
37. A nominated representative of the employer may make an inspection of the car at any reasonable time. Any damage found at that time should be rectified immediately.

Contract Terms

38. Save as expressly provided in this Agreement the employer does not supply the vehicle with or subject to any warranty express or implied by statute or otherwise as to capacity, age, quality, state, condition or fitness for any purpose whatsoever.
39. The employee must not sell, assign, re-hire, charge or part with possession of the hired vehicle or attempt to do so except as authorised under the terms and conditions.
40. The act of omission of any person authorised by the employee to use the vehicle shall for the purposes of the Agreement be deemed to be the act or omission of the employee.

41. The employee shall permit representatives of the employer or the contractor to inspect the state and condition of the car at any reasonable time.
42. Subject to the employee continuing to be eligible under these terms and conditions he/she will normally have the option at the end of the contract period to either:
 - a. Enter into a new salary sacrifice agreement, or
 - b. Use his/her own car for official employer business.

Health and Safety at Work

43. The Health and Safety at Work Act 1974 revised 1999 states that a vehicle is 'a place of work'. Health and Safety as it applies to motor vehicles, places an absolute 'duty of care' on management applicable to vehicle users.

Drivers Responsibility

44. Whilst the employer will actively manage 'at work' road risk, drivers must remain responsible for their own and others safety on the road. Drivers must retain responsibility to themselves to drive safely complying with Road Traffic Acts and the Highway Code. Under the Health and Safety at Work Act, drivers should co-operate with the employer to enable the employer to comply with their Health and Safety duties. In this respect, they should take reasonable care of their own health and safety and that of others who might be affected by their actions, and they should use equipment provided to them correctly.
45. The employee/hirer and each driver named by the employee to drive the vehicle should comply with and be familiar with the Driver and Vehicle Policy and Car Salary Sacrifice Scheme Policy.

Use of Car

46. The car will generally be used only by the employee and by anyone authorised by the employer, provided that they are properly qualified drivers holding a full current driving licence and are included on the insurance policy. Business use is restricted to when the employee is using the car on the official business of the employer.
47. The employee/hirer and each driver named by the employee to drive the vehicle will undergo a licence check to have their eligibility to drive checked. The hirer will also notify the scheme manager of any illness or disability suffered by any approved driver, which may affect the employer's vehicle insurance.
48. The vehicle can only be used for your employer's official business and normal social, domestic and pleasure purposes. The vehicle cannot be used for any other organisations' business activity.
49. The employee must not use, or permit to be used, the vehicle in breach of any sub-clauses of this clause nor for hire, reward, competition, trials or pace making.
50. Use abroad is permitted subject to prior written application from the scheme manager. Maintenance costs are not covered when the car is abroad, it is the employee's responsibility to make special arrangements to cover this period. The minimum acceptable cover is that provided under AA 5-star cover or equivalent. Employees will be advised on the maintenance requirement when written permission is given.
51. Motorists will need to carry a physical Green Card while driving in the European Economic Area (EEA) and some other countries. A second green card may be necessary when towing a trailer. The green card will be issued by scheme manager; a minimum of 5 working days' notice must be given. The scheme manager will also provide advice on obtaining proof of ownership (title), driving licence requirements and safety equipment.
52. If during the period of hire the vehicle becomes un-roadworthy there will be no change to the salary sacrifice agreement in place.
53. At all times to park the vehicle in such a manner as to minimise the risk of damage or theft and to keep the vehicle secured. Employees should, whenever possible, avoid leaving the vehicle parked on a public highway overnight. The hirer must inform the scheme manager of any change of address at which the vehicle will be kept or garaged.
54. Relief Vehicles: The employee does not have an automatic entitlement to a replacement vehicle if the lease car is unavailable due to normal repairs or servicing and depends on availability. If a replacement vehicle is provided it is unlikely to be the same specification as the lease car.
55. The employee is permitted to tow a caravan, boat or trailer provided prior approval in writing is obtained from the lease company through the scheme manager. Approval will not be forthcoming if the employee's choice of vehicle is not considered suitable for the proposed towing. Any caravan, boat or trailer shall be towed only in conformity with all legal requirements and the manufacturer's specification.
56. Should the contract hire company choose to charge an increased amount to the employer to cover the lower residual value and higher maintenance costs which result from towing this charge will be paid in full by the employee.

Accessories

57. The employee may request either at the time the vehicle is ordered, or at any subsequent time, subject to written approval, the addition of any accessories approved by the leasing company. An approved dealer will then add these to the vehicle at the employee's expense. The employee will not be entitled to remove from the vehicle, either before or after the expiration of the contract period, any such accessories so fitted save with the written approval of the leasing company. Except as permitted above, no accessories may be fitted to the vehicle.
58. The fitting of personal plate is not permitted.
59. Income tax is chargeable on all optional extras and accessories fitted to the vehicle.

Smoking

60. The employer has a strict no smoking policy and all vehicles are no smoking areas during working time, including the use of e-cigarettes/vaping. This policy applies to all official vehicles whether owned, leased or hired by the employer. Drivers are responsible for ensuring that they and their passengers observe and adhere to the law in regard to cars defined as 'Smoke Free' vehicles.

Maintenance and Repair

61. The scheme incorporates full maintenance which includes the cost of all servicing in accordance with the manufacturer's recommendations, mechanical or electrical repairs, replacement of tyres, batteries, exhaust except:
 - a. Where the need for repair or replacement arises by virtue of any breach of the terms of this Agreement by the employee (when the employee will be responsible) or
 - b. Where in the opinion of the contract hire company, it would not be economic to repair the vehicle.
62. Breakdown and Recovery services (including Relay and Home start) are included in the scheme for the UK only. Membership of the recovery service is based on a fleet arrangement and does not provide corporate membership facilities.
63. In certain cases, repairs to tyres (i.e. punctures) will be the financial responsibility of the employee although faults in tyres due to a problem in manufacture will be the financial responsibility of the servicing agent. Damage caused by accidents or running over debris etc. will be classed as accident damage and subject to insurance excesses. Where a tyre is replaced the value of the remaining tread depth will be taken into account.
64. An approved dealer, who is acceptable to the contractor, the employer and the employee, will carry out all servicing, maintenance and repair. A franchised dealer must undertake all warranty work. Unauthorised maintenance/repair work could result in the withdrawal of a hired vehicle from the employee.
65. A driver's handbook will be available to the employee when the car is delivered. This handbook should be accessible for ease of reference. The employee must familiarise themselves with the instructions contained therein for dealing with repairs to the vehicle whether arising by virtue of an accident or otherwise and comply with the same.
66. The employee must not commit the employer or the contract hire company to any expenditure for repair, unless in an extreme emergency occurring outside working hours, without the express consent of the Leasing company.
67. Employees will be expected to arrange service/repairs in their own time.

Employee's Responsibilities

68. The employee has specific responsibility to adhere to the Driver and Vehicle Policy and for the following:
 - a. Keeping the car in a clean condition.
 - b. At regular intervals checking the oil, water, lights, battery, brake and any fluid levels, tyre pressures and the condition of tyres and taking necessary corrective action.

N.B. Undue wearing of or damage to tyres must be reported to the repairer immediately and the car must not be used unless the tyres conform to all relevant legal requirements. The employee will not change the car's tyres or battery without the consent of the Scheme Manager.
 - c. Taking all reasonable precautions against frost damage and ensuring the anti-freeze content within the engine coolant system is of adequate strength.
 - d. Observe any recommended "running in" speeds and complying with any other recommendations concerning the running of the car during a "running in" period.
 - e. Reporting defects promptly to the appropriate dealer and the Scheme Manager.
 - f. Ensuring that the appropriate repairer carries out servicing and maintenance at the intervals recommended in the car manufacturer's handbook.
 - g. Ensuring that an MOT test is carried out in sufficient time for the contractor to receive the certificate and obtain a valid road fund licence. The driver should ensure that the service agent submits the MOT certificate directly to the contractor with their repair invoice. Where an MOT is due to coincide with the end of contract the MOT must be completed before the vehicle can be collected.
 - h. Ensuring the reasonable security of the car at all times, any cost of garaging to be borne by the employee and any change of address to be given in writing to the scheme manager.
 - i. Conforming to all instructions and recommendations in the manufacturer's handbook and all other instructions and advice given by the Contractor or the employer.
 - j. Not altering, modifying or removing any parts from the vehicle, nor changing any of the identification marks or numbers, without prior consent in writing of the Leasing company. Personal number plates cannot be fitted or transferred to a salary sacrifice car.
 - k. Not overloading, overworking or otherwise subjecting the vehicle to stresses for which it is not designed, nor using the same to carry goods for which it is not suited.
 - l. Notifying the scheme manager as soon as reasonably practical of any defect or failure of the odometer or milometer attached to the vehicle. In which event, the employer may in its absolute discretion estimate unrecorded mileage upon the average

distance covered during the last complete year before such failure, or defect was discovered and such other relevant information as it chooses to consider.

69. The agreed salary sacrifice reduction with the employee is on the assumption that the car will be kept in good condition and to the same high standard as if the employee owned the car. It is, therefore, in the interest of all parties that this standard is maintained particularly in ensuring that the car has a maximum value when returned at the end of the hire period.

AT THE END OF THE CONTRACT PERIOD

70. At the end of the contract hire period the employee must immediately deliver the vehicle to the leasing company in good repair and condition (fair wear and tear only accepted) and free from any defects other than those already notified by the employee to the employer.
71. The car will be appraised for condition in the presence of the employee who may be required to reimburse to the employer the cost of any repairs that the leasing company considers are needed to return the vehicle to good condition taking fair wear and tear into account. The lease company are under no obligation to complete the repairs but reserve every right to charge for the estimated repair cost.
72. In default of delivery of the vehicle upon termination, the employer will be entitled without notice to retake possession of the vehicle and all costs and expenses incidental to the recovery of the vehicle, incurred by the employer, must be repaid to the employer by the employee.
73. The employee will be liable for any aborted collections fees levied by the lease company if the vehicle cannot be collected due to roadworthiness's. The lease company will not be able to collect the vehicle, from the employee, if the vehicle is not in a roadworthy condition. This may include, but not limited to; tyres being under the legal limit, the vehicle does not have a valid MOT, or a vehicle warning light is on.

Purchase of a Hired Car

74. At the end of the contract hire period, or on early termination of the contract, the employee will be given the opportunity to purchase the vehicle at a rate agreed with the leasing company and subject to an administration charge by the scheme manager.

Title to the Vehicle

75. Nothing in this Agreement is to be construed as implying that title to the vehicle can or shall at any time pass to the employee. However, between the date of the agreement and the time when the vehicle is actually returned to the employer the employee is responsible for any notices served upon or proceedings instigated against the employer or the leasing company in respect of any offence allegedly committed or excess charge allegedly incurred in respect of the vehicle during the aforesaid period the employer and the leasing company shall be at liberty to take such action in relation thereof as the employer or the leasing company in their reasonable discretion deem fit (including paying any fines, penalties, or excess charges whether legally demandable or not, or defending such proceedings) and the employee shall indemnify the employer to the leasing company in respect of fines, penalties, excess charges costs or legal expenses and shall further indemnify the employer against their administration costs involved. The employee should notify the line manager of any such fees, penalties or excess charges incurred during the course of the employee carrying out his duties.

INSURANCE REQUIREMENTS

76. Employees must make themselves familiar with the insurance arrangements and will, as part of the application provide details of all additional drivers of the vehicle and where the vehicle will be kept. Employees must submit a copy of each drivers licence as required by the employer and notify the scheme manager of any changes. A copy of the insurance policy and schedule will be retained by the scheme manager and made available to the driver on request.
77. The employer will arrange and automatically renew the cover annually. Employees will ensure that they keep in force and do not by any act or omission invalidate the insurance cover.
78. The policy excesses may vary from time to time and will be advised in the event of any claim. Additional excesses apply in certain circumstances. These include but are not limited to, the vehicle is being driven by any young person, an individual with less than 12 months driving experience and certain types of vehicle.
79. In the event of a claim for a windscreen or glass only replacement (and the insurance policy, in force at the time, includes an excess) the excess will be payable by the employee.
80. The standard policy provides limited cover for any loss or damage to personal effects in or on the insured vehicle if they are lost or damaged.
81. All personal effects are left in the vehicle at the employees' risk, the employer will not accept any liability for their loss or damage. Employees are advised to ensure that insurance cover is adequate for his/her needs; additional cover should be taken out if necessary. Personal effects are normally covered under domestic household contents policies.
82. The insurance premium quoted does not include an indemnity against financial loss consequent upon the early termination of the contract hire vehicle contract.

Accident Damage

83. In the event of any accident that may result in a personal injury claim the employee must report the incident immediately to the scheme manager. Any correspondence received from a third party must be posted to the scheme manager without delay. There is a legal requirement to acknowledge personal injury claims within a prescribed time scale failure to do so may prejudice any defence and may result in costs being awarded against the employer and/or the driver.
84. Employees are responsible for informing the scheme manager of all accidents via the telephone as soon as possible. Any claims not reported to the insurance company within a reasonable timeframe may become invalid and all costs will be borne by the employee. Employees should also enact all repairs necessary to restore the vehicle to its former condition prior to the accident; as soon as possible after authority has been given.

85. Employees must report full details of the accident and provide the postcode/location of the scene. In addition, they must take photographs of the scene before any vehicles have been moved including roundabouts, road junctions, road markings, road/scene conditions, traffic lights and signs. Take pictures of the third-party vehicle and any damage as well as anything else that will help prove liability and blame. All sketches must be accurate and to scale, printing the scene from google maps will greatly assist with accuracy.
86. Where damage is light, the employee may choose to reimburse the cost of repairs, subject to notification to the scheme manager.
87. In the event of a total loss of the vehicle the driver will continue to pay their agreed monthly lease payment until such time as settlement has been made.

88. Type of Cover

- a. Fully Comprehensive Fleet Insurance Includes cover for own damage, fire, theft and windscreen and third-party damage.
- b. Any person can drive the vehicle subject to being added to the insurance policy as an additional driver, satisfactory driving licence checks and with the written permission of the scheme manager.

89. Accidental Damage Excesses

The insurance is subject to a policy excess: under the Terms and Conditions of this agreement the treatment of excess payments will be as follows:

In all cases" the employee (driver) will be liable to pay the excess. If, subsequently, any third-party claim is successful, refunds will be made accordingly.

The limitations of use and policy excesses may change each year at renewal of the insurance. You are advised to check with the scheme manager the current excess in the event of an accident. Please note that is in the best interest of the employer and drivers to keep additional named drivers to a minimum.

90. Claims Reporting

All claims to be reported via website www.clm.co.uk or by calling 01908 210100 as soon as possible and once it is safe to do so.

If the vehicle is not driveable the hirer should contact the breakdown and recovery service to be taken to the nearest approved repairer. If the vehicle is driveable the accident should be report via the telephone number above.

91. Accident Courtesy Car

A courtesy car will be provided when the vehicle is being repaired following an accident subject to availability.

If the vehicle is a total loss the courtesy car will need to be returned to the repairer (usually after 48 hours). This enables the driver to make necessary arrangements for a replacement vehicle at their own cost.

Early Termination of the Contract or early surrender of car

92. If any of the following events occur the employee's right to a car within the scheme will discontinue forthwith and the salary sacrifice agreement will be terminated. Any costs resulting from the early termination of the contract will be borne by the employer:
- a. The cessation of the employer's entitlement to possession of the vehicle under its agreement with the leasing company.
 - b. The vehicle for whatever reason becomes (apart from abuse or neglect), in the opinion of the leasing company, uneconomic to repair and/or maintain.
 - c. The total loss, whether by theft or otherwise (apart from abuse or neglect) of the vehicle.
 - d. The termination of the employee's contract of service with the employer whether by virtue of death, voluntary resignation, dismissal, redundancy, retirement or otherwise.
 - e. Any meeting of the employee's creditors is called, or the employee commits any act of bankruptcy or any attempt be made to levy distress against the vehicle by reason of the employee's indebtedness.
 - f. Prolonged absence by the employee from his/her official duties.
 - g. In the absence of any of the aforementioned events, the expiration of the period of hire specified above, or any extensions of the same.
 - h. When, in very exceptional circumstances or a lifestyle change, an employee applies to terminate his/her participation in the scheme.
 - i. The gross earnings of the employee fall below the national minimum wage (in the case of Salary Sacrifice)
 - j. Any other very exceptional circumstances not provided for in sub-paragraph a to i above.
93. If any of the following events occur the employee's right to a car within the scheme will discontinue forthwith and the salary sacrifice agreement will be terminated. Any costs resulting from the early termination of the contract will be borne by the employee:
- a. The vehicle for becomes in the opinion of the leasing company, uneconomic to repair and/or maintain due to abuse or neglect.
 - b. The total loss of the vehicle due to abuse or neglect.

- c. The employee becoming disqualified from holding or for any reason ceasing to hold a valid licence entitling him/her to drive a car.
- d. The salary sacrifice agreement was not taken out in good faith.

Change to employment conditions

- 94. If the employee leaves their employment and moves to another organisation the vehicle may transfer to the new employer with the new employer's and current employer's agreement and subject to agreement from the lease company and payment of an administration charge.

Early surrender of car

- 95. In the event of the early surrender of the car for any reason the employee must immediately deliver up the vehicle to the scheme manager in good repair and condition (fair wear and tear only accepted) and free from any defects other than those already notified by the employee to the employer.
- 96. The car will be appraised for condition in the presence of the employee who may be required to reimburse to the employer the cost of any repairs that the scheme manager considers are needed to return the vehicle to good condition taking fair wear and tear into account. The scheme manager is under no obligation to complete the repairs but reserve every right to charge for the estimated repair cost.
- 97. In default of delivery of the vehicle upon early surrender, the employer will be entitled without notice to retake possession of the vehicle and all costs and expenses incidental to the recovery of the vehicle, incurred by the employer, must be repaid to the employer by the employee.
- 98. The employee will be liable for any aborted collections fees levied by the scheme manager if the vehicle cannot be collected due to roadworthiness's. The scheme manager will not be able to collect the vehicle, from the employee, if the vehicle is not in a roadworthy condition. This may include, but not limited to; tyres being under the legal limit, the vehicle does not have a valid MOT, or a vehicle warning light is on.

Note: It is very important that at least two months' notice is given of early surrender of the car. Failure to provide adequate notice could result in a delay in the final payment of salary due, in order to resolve any problems.

- 99. In the event of early surrender of the car detailed above, the employee will be liable to pay:
 - a. Any costs arising from the condition of the car or excess mileage on handover.
- 100. Employees are advised to seek advice before terminating this contract.

General

- 101. The rights and remedies of the employer hereunder shall not be affected by any giving of time or any other concession or indulgence granted by or neglect of the employer to the employee.
- 102. The employee shall not assign transfer charge the benefit of or in any way make over this agreement nor pledge or purport to pledge the employer's credit.
- 103. All amendments to this Agreement shall be made in writing.
- 104. The employee must immediately report any change of address where the vehicle will be kept to the scheme manager.

Communications

- 105. Any communication required or permitted under the terms of this Agreement shall (unless otherwise provided) be in writing and shall be delivered in person or sent by registered mail or emailed as appropriate to: CLM Fleet Management PLC, Corporate House, Jenna Way, Interchange Park, Newport Pagnell, MK16 9QB