

**HIRE AGREEMENT REGULATED BY THE CONSUMER CREDIT ACT 1974**

Employer's Name: Loughborough University  
Employer's Address: Leicestershire, UK, LE11 3TU ("we", "us")

Hirer's Name:  
Hirer's Address: ("you")

**Key Financial Information**

The Goods: The bicycle and any related safety equipment

Hire Payment: 17 payments of £ each

Due dates of Hire Payment: .....and each month after that on the same date as the Hirer's Salary shall be paid.

Fixed period of hire: Eighteen (18) months from the date of this Agreement. The Hire Period is fixed and cannot be changed.

**Other Payments and Termination Fee**

The cost of replacing lost or damaged Goods. A Termination Payment of an amount not exceeding the outstanding Monthly Hire Payments calculated and payable in accordance with the Terms and Conditions set out below.

**Key Information**

**DEFAULT CHARGES:**

If you breach the obligations under this Agreement because of loss or damage to the Goods or because you do not make the payments or your employment ends we may recover from you our reasonable costs and expenses incurred in enforcing this Agreement and the costs to make good the loss or the Termination Payment as set out in the Terms and Conditions below.

**CANCELLATION**

You have no right to cancel this Agreement

**MISSING PAYMENTS**

Missing payments could have severe consequences and may make obtaining credit more difficult.

**IMPORTANT – READ THIS CAREFULLY TO FIND OUT ABOUT YOUR RIGHTS**

The Consumer Credit Act 1974 covers this Agreement and lays down certain requirements for your protection which should have been complied with when this Agreement was made. If they were not, the Employer cannot enforce this Agreement against you without getting a court order.

**If you would like to know more about your rights under the Act, contact either your local Trading Standards Department or your nearest Citizens' Advice Bureau.**

This is a Hire Agreement regulated by the Consumer Credit Act 1974. Sign it only if you want to be legally bound by its terms

Signature(s) of Hirer(s)

Date(s) of signature(s)

Under this Agreement the goods do not become your property and you must not sell them.

**THIS AGREEMENT COMPRISES; 1 THIS SHEET 2 THE TERMS AND CONDITIONS INCLUDING SALARY SACRIFICE PROVISIONS OVERLEAF IN TOTAL THERE ARE [ ] PAGES you should read all of this document carefully before deciding whether to enter into this Agreement. If you are unsure then you should seek independent advice. By signing this Agreement you also confirm that you have read the Loughborough University "Cycle to work Scheme Frequently asked questions document" attached to this Agreement. THIS AGREEMENT MUST ONLY BE SIGNED ON UNIVERSITY PREMISES**

Personal Information – Please see clause 12 which sets out the uses which will be made of your personal information relating to this Agreement.

Signed for or on behalf of the Employer

Signature for Employer

Print Name in full

Date of signature(s)

Which is the date of this Agreement

#### **WARNING**

**NOT ALL EXERCISE IS SUITABLE FOR EVERYONE AND RIDING A BIKE MAY LEAD TO INJURY TO YOURSELF AND TO OTHERS. BEFORE EMBARKING UPON EXERCISE OR BICYCLE RIDING YOU SHOULD CONSULT A MEDICAL PRACTITIONER ESPECIALLY IF YOU HAVE ANY ILLNESS, YOU ARE PREGNANT OR YOU ARE ON MEDICATION. THE UNIVERSITY RECOMMENDS EVERYONE CONSULTS A MEDICAL PRACTITIONER.**

**YOU MUST CONSULT THE HIGHWAY CODE BEFORE RIDING A BICYCLE ON THE HIGHWAY.**

#### **1 Letting and use and pre condition**

We are letting and you are taking on hire the Goods for the Fixed Period. The Goods are for the purpose of riding to work and for your personal use. To collect your Goods you will need identification acceptable to Us. The Goods may only be collected from Imago Limited and will be subject to availability and the University's

willingness to fund the scheme. If there are no Goods in stock or the scheme is not in operation then we shall cancel this Agreement without liability to you.

## **2 Acknowledgement and Eligibility**

The Cycle to Work scheme is a government incentive. To be eligible you must be a UK taxpayer over the age of 18, have passed your probationary period and be earning at least the minimum wage for the time being when the salary sacrifice has been made. You acknowledge that you have read and understood the University's Frequently Asked Questions. The tax exemption will not apply if you do not use the Goods primarily for commuting to work. We reserve the right to declare the Goods as a benefit in kind to H M Revenue and Customs if we in our sole discretion (acting reasonably) think it is right to do so.

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

**The Employee and the Employer acknowledge that this Agreement constitutes a notice of a variation to the Employee's terms of employment for the Fixed Period of Hire in accordance with the provisions of section 4 of the Employment Rights Act 1996. By signing this Agreement you agree to the variation in terms and conditions of your employment described in this Agreement and you agree to abide by the conditions of this Agreement. You hereby authorise us to reduce your salary accordingly and in the event of leaving our employment you authorise us to adjust any excess or outstanding payments from your final salary. By entering into this Agreement you agree and accept that during the Fixed Period of Hire by your monthly gross salary will reduce by the amount set out under Hire Payment in the section Key Financial Information above. This means that your gross salary shall be reduced for all statutory purposes including National Insurance and statutory maximum pension contribution purposes.**

## **4 Ending your employment**

- 4.1 In the event that your employment with us ends for any reason this Agreement will terminate. We will be entitled to recover a Termination Payment calculated in accordance with this clause 4.
- 4.2 The Termination Payment ("the Termination Payment") will be an amount equal to:
  - 4.2.1 all costs and expenses that we incur in connection with the repossession, refurbishment and disposal of the Goods (if any); and
  - 4.2.2 as compensation and/or liquidated damages for breach of this Agreement, a sum equal to the aggregate of all Hire Payments which would, but for termination of this Agreement, have become due and payable under this Agreement from the date of termination to the end of the Fixed Period of Hire less the net proceeds of sale of the Goods, if repossessed and sold or their value as reasonably determined by us, if not sold.
- 4.3 By signing this Agreement you consent to the Termination Payment or part of it being collected by us by way of a direct reduction in your final net salary.
- 4.4 You will pay the shortfall of the Termination Payment within 21 days of our demand.

## 5 **Absence**

In the event that you take Maternity, Paternity, Adoption or unpaid leave we may at our discretion agree to your contributions being temporarily suspended for the duration of your leave entitlement. This Agreement will remain in place until you begin receiving salary or your employment ends in which case the Termination Payment must be made. If you are absent from work due to long-term sickness during the period of this Agreement the hire of the Goods and the reduction in gross salary will continue.

## 6 **Looking after the Goods and Use**

You will not make alterations, removals, additions or improvements to the Goods that decrease the value and/or utility of the Goods. You will be responsible for, and pay us the costs of rectifying, loss of or damage to the Goods whilst in your possession and notify us immediately of any such loss or damage. We may inspect the Goods on reasonable notice

## 7 **Insurance**

You will bear the entire risk of loss, damage, destruction, theft or seizure of the Goods from the time of delivery of the Goods to you. You will keep the Goods insured against loss or damage or third party risks which may mean ensuring that the Goods are insured by your Home Contents Policy. If the Goods are lost, stolen or damaged beyond economical repair (a "Total Loss") you will remit to us a sum equivalent to the cost of replacing the Goods with Goods of the same value and specification in which case we will replace the Goods with goods identical to the Goods or with goods of the same or greater value and specification. Unless we agree otherwise in writing, you will not be entitled to any abatement or refund of contributions between the dates of Total Loss and replacement.

## 7 **Maintenance**

You will at your own expense maintain the Goods in good repair and working condition and in accordance with the terms of any warranty accompanying the Goods. This will not affect your statutory rights.

## 8 **Warranties and Exclusions**

We accept no responsibility for consequential loss or damage howsoever arising from the letting evidenced by this Agreement unless it arises from our negligent act or default. Our total liability arising in connection with this Agreement will not exceed a sum equal to the aggregate of all payments payable during the Fixed Period of Hire. Nothing in this Agreement will exclude or restrict our liability for death or personal injury resulting from negligence. We shall not be held liable for failure to supply or failure to deliver the Goods on at an agreed time.

## 9 **Events of default**

9.1 We may (without prejudice to any of our other rights under this Agreement) terminate this Agreement by giving you written notice if any of the following events shall occur (each event being a "Default"):

9.1.1 You have provided any false information to us in connection with this Agreement,

9.1.2 You breached this Agreement and, where such breach is capable of remedy, you fail to remedy that breach within ten (10) business days of its occurrence,

9.1.3 Any Goods are taken to settle a debt or judgement or any other event happens which might prejudice our interest in the Goods

9.2 If we give you notice under clause 9, you will no longer be in possession of the Goods with our consent and you will pay us the Termination Payment as set out at 4 above.

## **10 Return of Goods**

Upon expiry of this Agreement you must return the Goods. We may dispose of them for a nominal sum equating to a fair market value which may be 5 per cent of the value when purchased but this is not a contractual right and will be subject to agreement in the future.

## **11 General**

If we fail to strictly enforce any of our rights under this Agreement we will not be taken to waive that breach or forfeit any right. Nothing in this Agreement will confer any benefit on any third party and no other third party will have any right to enforce any term of this Agreement. This Agreement will be governed by and construed in accordance with the laws of England and Wales.

## **12 Personal Information**

You agree that we may hold and process personal data and information about you relating to this Agreement which will be obtained and used to implement the scheme and to confirm your employment status. To assist us in carrying out any or all of the above purposes you consent to our giving or sharing the said information with Imago Limited or other equipment suppliers or service providers.