

## Hire Agreement regulated by the Consumer Credit Act 1974

**Employer/Owner** Wärtsilä UK Limited

**Employer Address** 4 Marples Way  
Havant

**You/Hirer Name** Hants PO9 1NX

**Address**

### Key Financial Information

<i>Equipment</i>	<i>Rental Charge</i>
Bike/access	
Equipment	
Helmet	
Total	£

### Payments (exclusive of VAT)

12 payments of £ to be made on a monthly basis. Payable by a way of a reduction to your gross salary. Your rental payments will commence when notified to you within your payslip, usually for the first salary payment following the pay period in which you receive the equipment but otherwise as notified on your payslip. Your reduction will also appear as an entry on your payslip for pay periods, unless this agreement is terminated early or the hire period is extended under the attached terms and conditions for Employees which form part of this agreement

### Salary Sacrifice

This is an agreement to vary your terms and conditions of employment. By signing this agreement, you are entering into a salary sacrifice arrangement and agreeing to a new remuneration package, which includes a combination of cash and other benefits, to enable you to take advantage of changes to PAYE regulations covering bicycles provided by your employer. No deposit payment is required. Your Employer has committed to a 12 month scheme for the equipment, so that the equipment can be provided for your use as part of your new remuneration package.

Subject to the attached separate terms and conditions relating to day to day use and care, you are free to use the equipment for a fixed period of 12 months.

Subject to payroll procedures, your new remuneration package will take effect after signing the Hire Agreement. The agreement including the attached terms and conditions should be read together as a whole to form the agreement between you and Wärtsilä UK Limited for the cycle to work scheme. No other information, whether verbal or in writing, either given or implied by any party whatsoever, forms part of this agreement. This is a non-cancellable 12-month fixed term agreement and you do not have the right to terminate this agreement, except in the specific circumstances as described in the terms and conditions that form part of this agreement. This must be signed by the Employee (the Hirer) on the premises of the Employer.

### Termination Fee

This Agreement is a 12 month agreement. However if you leave your employment you will no longer be able to benefit from the tax exemption under this Agreement. Therefore if your employment with the Employer ceases for any reason during the 12 month period you will be required to return the bicycle to the Company and pay a termination fee to the Employer (the Termination Fee). For the avoidance of doubt the Termination Fee will be the total of the remaining payments due under this fixed term agreement plus the estimated net realisable value of the bicycle and safety equipment. The Termination Fee will be collected by the Employer from any remaining net salary payments i.e. you will not benefit from any tax exemption. Should this not be possible for any reason, or the outstanding liabilities exceed any remaining net salary payments, the Employer will require settlement of any outstanding liabilities within 14 days of you leaving employment. By signing this agreement you specifically authorise the Company to make these deductions from your final salary payment.

### 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 owner 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 Stands Department or your nearest Citizens' Advice Bureau.

This agreement is documented over 5 pages – you are required to initial each page as well as signing in the boxes specified.

**This is a copy of the agreement for you to keep. Please keep it in a safe place.**

## Wartsila UK Limited Workcycle Scheme

Hire Agreement regulated by the Consumer Credit Act 1974

<b>Employer Name</b> Wärtsilä UK Limited Address 4 Marples Way Havant Hants  Postcode PO9 1NX  Employee payroll number (if Applicable)	<b>Employee Name</b>  Address  Postcode
---	---

### Key Financial Information

#### Description of Goods

Bicycle make/model	£
Cycling safety equipment	£
Helmet	£
<b>Total:</b>	£

Amount of each Monthly Hire Payment: (to be paid by employee through salary sacrifice)	£
Number of Monthly Hire Payments:	12 Months
Timing of Monthly Hire Payments:	The first Monthly Hire Payment will be due on your first monthly salary payment date after the date of this Hire Agreement, and on the same date in each month thereafter.
Termination Fee:	On termination of this Hire Agreement upon your ceasing employment with The Company you will have to pay a termination fee of an amount not exceeding the outstanding Monthly Hire Payments plus the estimated net realisable value of the bicycle and safety equipment and calculated as set out at "Leaving Employment" in the Employee Terms & Conditions overleaf. The termination fee will be collected by The Company from your outstanding salary payments. If this is not possible or your outstanding liabilities exceed your outstanding salary payments, The Company will require settlement of your outstanding liabilities within 14 days of your employment ceasing.
Hire Period:	12 months from the date of this Hire Agreement. The Hire Period is fixed and cannot be changed, subject to the provisions of "Absence from Work" in the Employee Terms & Conditions overleaf.

### Key Information

If you default on your obligations under this Hire Agreement, (eg by failing to make any payments on the due dates) we may recover from you our reasonable legal, administrative and other costs and expenses incurred in enforcing our rights under this Hire Agreement - see "Miscellaneous" in the Employee Terms & Conditions overleaf.  
 This Hire Agreement is not cancellable.

#### **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 owner 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  <b>Signature of Hirer</b>  <b>Date of signature</b>  Under this agreement the goods do not become your property and you must not sell them.  I confirm that I have read the Q & A section on the Wärtsilä website relating to the scheme and that I have read and understand the Department of Transport Cycle to Work regulations - tick box to confirm [ <input type="checkbox"/> ]
--

**FOR OFFICE USE ONLY**

I hereby confirm that I am authorised by Wartsila UK Limited to complete and sign this declaration on its behalf.

Signature on behalf of Employer:

Name: **Wartsila UK Limited**

Title:

Date of signature:

**DATA PROTECTION**

The information that you provide about yourself is solely used for the purposes of administering this scheme. For further details please see "[Data Protection](#)" in the Employee Terms and Conditions.

**SALARY SACRIFICE**

This Hire Agreement varies your Terms and Conditions of Employment. By committing to this Hire Agreement, you are accepting a new remuneration package, which includes a combination of cash and benefits, to enable you to take advantage of changes to PAYE regulations covering bicycles provided by your employer. No deposit payment is required.

Your employer has committed to a 12- month scheme for goods and services (the "Selection"), so that these goods and services can be provided for your use as part of your new remuneration package. Subject to separate terms and conditions relating to day-to-day use and care (see Terms & Conditions overleaf), you are free to use the Selection for a fixed period of 12- months.

Once this completed Hire Agreement have been validated and formally executed, the scheme will then commence. Subject to payroll procedures, your new remuneration package will take effect thereafter.

The complete Hire Agreement comprises this Hire and Salary Sacrifice Agreement, and the Terms and Conditions for Employees taken together as a whole. No other information, whether verbal or in writing, either given or implied by any party whatsoever, forms part of this Hire Agreement. This is a non-cancellable 12- month fixed-term Hire Agreement and you do not have the right to terminate this Agreement, except in the specific circumstances as described in the Terms and Conditions for Employees that form part of this Hire Agreement.

The Hire Agreement must be signed by the employee (the Hirer) on the premises of the employer. It will then be countersigned by the Employer's authorised representative to execute the Hire Agreement.

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

**Terms and Conditions for Employees**

**Introduction**

This agreement regulates your participation in the Workcycle Scheme, which has been implemented by Cycle World Wessex Ltd for Wartsila UK Limited. The purpose of the Workcycle Agreement is to provide you with a bicycle for commuting and private use. Workcycle takes advantage of a tax and NI exemption that offers benefits to employees. This agreement, (hereafter referred to as "the Agreement") forms your salary sacrifice and Hire agreement.

**The Workcycle Agreement**

By entering into this Hire Agreement you have agreed to enter into a salary sacrifice agreement for a minimum period of 12 months. Under the Hire Agreement, you will be provided with the use of a bicycle of your choice and (if you choose) safety equipment to meet your specific commuting and private needs (hereafter referred to as your "Selection"). The Selection will be supplied to you for a minimum period of 12 months. The value you select determines the amount by which your gross salary is reduced.

By entering into this Agreement you are confirming that:

- The Selection is for use by you; and
- The use of the bicycle contained in the Selection will be mainly for commuting purposes (as defined below)

The Selection will be provided by Cycle World Wessex Limited and its partner shops. Whilst participating in the Hire Agreement, the Selection remains the property of Wartsila UK Limited (or their nominated agents) and you may not profit from, transfer, sell or otherwise dispose of the Selection. You may not obtain a Selection for any purpose other than your own commuting and private use.

By entering into the Hire Agreement, you are confirming your wish to participate in the Hire Agreement. The agreement is valid for a period of twelve calendar months of its date. Cycle World and The Company reserve the right to change the values of the Selection on offer during the life of the Workcycle Agreement.

The selection will be disposed of at the end of the term of this Hire Agreement for a sum, equating to fair market value at that time. The circumstances and terms of disposal of the Selection are neither governed nor influenced by this Hire Agreement in any way whatsoever. Any arrangements that may be made regarding disposal of the Selection will be the subject of a separate agreement.

**Impact on your employment contract**

By entering into the Hire Agreement you agree and accept that your current gross salary will reduce by the Monthly Gross Salary Sacrificed Amount (above), and in return for consenting to this reduction you will receive the Selection to the value you have chosen.

By accepting the Hire Agreement you acknowledge that the salary reduction will remain in place for 12 months, and will commence in the month after you have signed your Hire Agreement. At the end of this period your salary will revert to its original level, (subject to any adjustments that have occurred e.g. pay rises, promotions).

**Absence from work and National Minimum Wage**

wartsila\_workcycle\_agreement\_wwa1

If you are absent from work during the period covered by the Hire Agreement your salary reduction will remain in place and will apply to any pay received (e/g sick pay or maternity pay). By entering into this Hire Agreement you also agree that the amount of the monthly salary reduction may be deducted from any such payments.  
If after the salary sacrifice your salary falls below the national minimum wage, the salary sacrifice will be suspended until such time as your salary rises above that level  
If you are temporarily not in receipt of salary payments for any reason but remain an employee of The Company your Hire Agreement will remain in place and be extended until the earliest of the following events:

- You revert to receiving salary payments; or,
- You leave employment.

#### **Leaving employment**

The Workcycle agreement is a 12 month agreement. However if you leave employment you will no longer be able to benefit from the tax exemption under the Workcycle Agreement.  
Therefore if your employment with The Company ceases for any reason during the 12 month period you will be required to return the bicycle to the Company and pay a termination fee to the Employer (the Termination Fee). For avoidance of doubt the Termination Fee will be the outstanding Monthly Hire Payments plus the estimated net realisable value of the bicycle and safety equipment. The termination fee will be collected by The Company from any remaining net salary payments. Should this not be possible for any reason, or the outstanding liabilities exceed any remaining net salary repayments, The Company will require settlement of any outstanding liabilities within 14 days of your employment ceasing.

#### **Eligibility**

Workcycle is governed by HM Revenue and Customs and is open to all permanent employees of The Company, whether full or part time, providing salary after sacrifice remains above the National Minimum Wage.  
To be eligible for the tax benefits resulting from the salary sacrifice arrangement you will need to:

- Be 18 years of age or over.
- Be a UK taxpayer, who can benefit from the tax efficiencies of the scheme.

Cycle World and The Company reserve the right to decline a request to issue an Agreement to participate in the Hire Agreement. Participation will not be unreasonably withheld. Each request will be subject to authorisation by The Company, and Cycle World will only process orders suitably authorised by The Company.

#### **Delivery and collection of the Selection**

You may collect your Selection from any Cycle World Wessex store on presentation of a suitable form of identification. Acceptable forms of identification are:

- Passport;
- Driving Licence.

The Company and Cycle World are not responsible for any damage or loss occurring after you have accepted collection of the Selection.

#### **Your responsibilities**

The Selection is your responsibility for the duration of the Hire Agreement. It is your responsibility to ensure the bicycle and/or safety equipment is/are used safely in accordance with the operating instructions provided by the manufacturer(s). Should any bicycle or piece of bicycle safety equipment be lost or suffer accidental damage or become inoperable you will be required to continue meeting your financial responsibilities for the remainder of the 12 month period. Replacement bicycles or bicycle safety equipment may be purchased from Cycle World Wessex Ltd. Any replacement bicycles or bicycle safety equipment fall outside the terms of this Hire Agreement.

If the Selection is not mainly used for commuting by you, the Selection will not be covered by the tax exemption. Accordingly, you acknowledge and agree that in such circumstances The Company may in its sole discretion or where required to do so by any Tax Authority, Court of Law, Tribunal or otherwise declare the Selection as a taxable benefit in kind.

You solely bear the entire risk of loss, theft, damage to, or any loss or destruction of the Selection. Any loss will not affect the continuation in force of the Hire Agreement. It is therefore recommended you obtain separate insurance for your Selection, or ensure the Selection is covered by your Home contents insurance policy. If the Selection is covered by your Home contents insurer, you must inform your insurer that The Company (or their nominated agents) has an interest in the Selection.

Any insurance cover obtained does not form part of this Hire Agreement. The Company does not take any responsibility for any insurance cover obtained.

This does not impact on any warranties offered by the bicycle or bicycle safety equipment manufacturer(s). Except as required by law, neither The Company nor Cycle World offer any separate warranty, and you are responsible for reading and understanding the manufacturer's warranty and complying with its terms.

#### **Data Protection**

You hereby authorise The Company and Cycle World Wessex to use and exchange with their suppliers or nominated agents the information you provide about yourself ("Personal data") to administer the Workcycle Agreement. This personal data will be used for the following purposes:

- To establish your bona fides as an employee of The Company;
- To implement and operate this Hire Agreement;

Your personal data will be properly safeguarded and used confidentially.

### Limitation of Supply

Under no circumstances shall Wäertsilä UK Limited, or their suppliers be liable for any indirect, punitive, incidental, special or consequential damages (including without limitation damages for loss of use, lost data, economic loss, or other loss) arising out of a breach of this Hire Agreement or any other action or failure to act, even if The Company, Cycle World or its partner shops have been advised of the possibility of such damages.

The Company, Cycle World and their suppliers, and their nominated agents shall not be held liable for failure to supply, failure to deliver on an agreed time or day, or late delivery. Nothing in the Hire Agreement shall limit the liability of The Company, Cycle World and their suppliers for death or personal injury resulting from their negligence and/or breach of such implied terms as might exist in law relating to title, satisfactory quality or fitness for purpose.

### Miscellaneous

This Hire Agreement is governed by English law. The company, Cycle World, their nominated agents and you hereby submit to the jurisdiction of the English courts to settle any dispute arising under or in connection with this Hire Agreement.

If you default on your obligations under this Hire Agreement you must pay The Company any reasonable legal, administrative and any other costs or expenses that The Company incur in enforcing their rights under this Hire Agreement.

### Definitions

For the purposes of this Hire Agreement, the terms set out below have the following meanings:

- "bicycle" means a cycle as defined by S192(1) of the Road Traffic Act as amended or updated from time to time;
  - "commuting" means a qualifying journey as defined by S249 of the Income Tax (Earnings and Pensions) Act 2003 as amended or updated from time to time. This is a journey in whole or in part between your home and workplace, or between one workplace and another in connection with your performance of your duties of employment with The Company;
  - "tax exemption" means the tax exemption afforded by S244 of the Income Tax (Earnings and Pensions) Act 2003 as amended or updated from time to time; and
  - "bicycle safety equipment" means bicycle safety equipment such as helmets or reflective clothing/ also includes lights and locks.
-