

This Salary Sacrifice Agreement ("Agreement") is hereby confirmed to vary terms & conditions of employment between myself ("Employee") and my Employer ("Employer").

WHEREAS

- (A) The Employer wishes to make available a Vehicle and Other Services and Benefits provided in connection with that vehicle to its employees as part of a benefit Scheme, as defined below.
- (B) The Employee wishes to receive the Vehicle and Other Services and Benefits and in return for doing so will give up an element of their Original Pay Period Salary by way of a Salary Sacrifice as described below.
- (C) The Employee will record the specification of the Vehicle and Other Services and Benefits the Employee wishes to receive on the employee benefits System.
- (D) By this Agreement, the Employee and the Employer agree to vary the Employment Contract made between the Employee and the Employer.

IT IS HEREBY AGREED:

1. Definitions

- 1. "Adjusted Pay Period Salary" means the Original Pay Period Salary less the Vehicle Value and Other Services and Benefits Value.
- 2. "Employment Contract" means the terms and conditions of employment between the Employee and the Employer.
- 3. "Scheme Policy" means the Car Benefit Scheme Policy, a copy of which has been provided to the Employee.
- 4. "Original Pay Period Salary" means the periodic salary (i.e. weekly, monthly etc.) of the Employee on the assumption that the Employment Contract had not been varied by this Agreement or any similar agreement.
- 5. "Other Services and Benefits" means the ancillary benefits provided in connection with a taxable company vehicle.
- 6. "Other Services and Benefits Value" means the monetary value of the Services and Benefits associated with the Scheme.
- 7. "Salary Sacrifice" means the method by which the Vehicle Value and the Other Services and Benefits Value are sacrificed from the Employee's Original Pay Period Salary before Tax and/or National Insurance are calculated. Tax and/or National Insurance are then calculated on the lower Adjusted Pay Period Salary.
- 8. "Scheme" means a scheme for the use of fully serviced and insured Vehicles for the benefit of Employees of the Employer.
- 9. "System" means the employee benefits System which is used by the Employee to select tax-efficient benefits, in this case Vehicles.
- 10. "Variation Term" means the period of time, being not less than twenty four (24) months for which this Agreement is to apply, as set out in clause 4.
- 11. "Vehicle" means the Vehicle with a value equal to the total amount declared by the Employee on the System.
- 12. "Vehicle Value" means the monetary value of the Vehicle set out in clause 3.

2. Variation of Employment Contract

- 1. The Employee and the Employer agree to vary the Employment Contract for the Variation Term by way of a Salary Sacrifice as follows:
 - 1. The Employee will cease to be entitled to the Original Pay Period Salary.

2. The Employee will be entitled to receive the Adjusted Pay Period Salary and the Vehicle chosen on the employee benefits System with the associated Other Services and Benefits.
2. The Employer and Employee agree that the terms of the Scheme Policy are expressly incorporated into this Agreement and form part of this Agreement.
3. The Employee acknowledges that the provision of the Vehicle and the Other Services and Benefits will give rise to a Benefit in Kind liability for the Employee.
4. The Employee and the Employer acknowledge that this Agreement constitutes a notice of a variation to the Employment Contract for the Variation Term in accordance with the provisions of section 4 of the Employment Rights Act of 1996.

3. Vehicle Value

1. For the purposes of this Agreement, the Vehicle Value (expressed in pounds sterling) to be received under the Employment Contract (as varied by this Agreement) shall be as declared by the Employee on the System and reported to the Employer.

4. Variation Term

1. The Variation Term for this variation of the Employment Contract shall commence on the first day of the next pay period following delivery of the Vehicle to the Employee and shall expire on the last day of the pay period as declared by the Employee on the System and reported to the Employer.

5. Responsibility

1. The Employee confirms that they:
 1. Are responsible for selecting the exact specification of the Vehicle.
 2. Understand that if they order a diesel car with a Diesel Particulate Filter (DPF), they need to regularly drive the car between 40 - 50 mph or more, for at least 10 - 15 minutes to prevent blockages and future maintenance work which would be at the expense of the Employee.
 3. Understand that in the event of a total insurance loss to a Vehicle (accident, fire or theft) there is protection for any difference between the motor insurer's settlement figure and the termination charge.
 4. Understand that there is a protection against penalty charges incurred as a result of exiting the Scheme early and returning a Vehicle as a result of resignation, redundancy, loss of life or loss of licence on medical grounds (subject to the terms set out in the Scheme Policy including various exclusions).
 5. Understand that any faults with the Vehicle must be reported using the Tusker Driverline immediately, and that the Employee (and any other insured drivers) must not use the vehicle until the fault has been rectified (if it may otherwise be unsafe to do so).
 6. Understand that should they resign or are put at risk of redundancy in the first 3 months following the delivery date of the Vehicle they will be liable for a separate payment to be deducted from their final salary payment or from any other payments due or owing to the Employee. This will be calculated based on the Vehicle Value over the remainder of the Variation Term.
 7. Understand that the protection against penalty charges incurred as a result of exiting the Scheme early and returning a Vehicle has certain exclusions as set out in the Scheme Policy.
 8. Understand that should they exceed the mileage selected by the Employee they are responsible for the excess mileage rate as detailed on the quotation.
 9. Understand that maintenance of the Vehicle is included as part of the Scheme and that they are responsible for ensuring that the Vehicle is maintained within the manufacturer's service schedule. Failure to adhere to this could result in additional

charges. For warranties to remain valid the first and subsequent services of the Vehicle must not exceed the manufacturer's guidelines by more than 1,000 miles or more than 14 days from when the service is due.

10. Understand that all servicing and tyre requirements must be organised via Tusker either by telephoning the Driverline <phone number> or via their website <web address>. Any additional charges incurred due to maintenance not being organised by Tusker will be recharged.
11. Understand that any accidents must be reported to the insurance provider within 48 hours to ensure full cover applies.
12. Understand that parking or congestion charges and any other fines are their responsibility and if incurred will be recharged to them along with an administration fee.
13. Understand and agree that the Employer shall be entitled to deduct from salary, or other payments due to them, any money which they may owe or be liable to pay in respect of the Vehicle arising from their use of it at any time pursuant to the terms of this Agreement and the terms of the Scheme Policy. The Employee accepts that if the Employer is unable to recover any amounts owing from the Employee by way of such deductions, then the Employee must pay to the Employer the relevant amounts owing as a debt and upon demand.
14. Understand that they are liable for any damage to the Vehicle at the end of the Variation Term. Fair wear and tear conditions are acceptable as outlined in the BVRLA guidelines. A copy is available on request.
15. Understand that at the end of the Variation Term they may be able to purchase the Vehicle. The Tusker customer services team will be able to provide you with a purchase price at that time.
16. Understand the Scheme Policy, Frequently Asked Questions, Motor Insurance Policy Summary document and help buttons on the Tusker website.
17. Understand that my personal data will be shared by my Employer with Tuskerdirect Limited and will be processed in line with Tuskerdirect Limited's privacy policy, a copy of which can be view here: <https://tuskercars.com/legal#privacy>

I understand that by having checked the acknowledgment of the Terms and Conditions above, I am affirming that I have read, understand and agree the terms of this Agreement.

Gross Salary Sacrifice £

Vehicle:

Employee:

Employer:

Date of Request:

Signed:

[Quote number]