

unreasonably withheld but may include a requirement for you to take out additional insurance and recovery.

- 3.13 You must not do or allow to be done anything, which we reasonably believe may put at risk the performance of your obligations under this agreement.

4 INSURANCE

- 4.1 From the commencement date you will
- 4.2 insure the vehicle for at least its day-to-day replacement value against all insurable risks including theft, loss, damage and destruction. You will also ensure for at least £2,000,000 us, you and any authorised driver against claims for death, injury, loss or damage caused by the vehicle or its use.
- 4.2 You will at all times comply with the terms of your insurance policy and will pay insurance premiums on time. If you fail to ensure or let the cover lapse we may insure the vehicle and you will repay the cost to us on demand.
- 4.3 It is your responsibility to notify the Motor Insurance Database immediately of all vehicles on your insurance policy. Failure to do so may result in a fine on an individual vehicle basis.
- 4.4 In the event of an accident involving the vehicle, you will in general co-operate in the claims process and in particular:
- (i) Use your best endeavours to provide us with the name and address of any third party if we ask you to do so;
 - (ii) Promptly send to us a copy of any accident claim form together with a copy of the estimate for repairs;
 - (iii) Arrange for all insurance money to be paid to us within 30 days of the date of the event-giving rise to the insurance claim.
- 4.5 We will use the insurance money:
- (a) Firstly to pay off any arrears on rental, excess mileage charges and other sums payable under this agreement at the date of the event giving rise to the insurance claim together with interest, and
 - (b) Secondly
 - (i) Towards the costs of repairs, if the Vehicle is damaged and the insurer considers that it is economic to repair it; or
 - (ii) To compensate us for our loss, if the Vehicle is a total loss because it is lost, stolen, destroyed or in the opinion of the insurer is not worth repairing, in which case you will pay to us an amount equivalent to the total costs incurred by us less rental received.
- 4.6 If the insurance money is insufficient to pay all sums due under clause 4.4 you will pay to us the shortfall. If the insurance money exceeds all sums due under clause 4.4 we will refund the excess to you.
- 4.7 This agreement will terminate following a total loss under clause 4.4 and payment of all sums due under 4.4 and 4.5.

5 DEFAULT AND EARLY TERMINATION

- 5.1 This agreement will terminate automatically and we may repossess the Vehicle at any time if you:
- (a) Go into liquidation or receivership or cease to trade;
 - (b) Have a petition for winding up or administration presented against you or an application is made against you for an immediate order under the insolvency act 1986;
 - (c) Convene a meeting of or come to any arrangement with creditors;
 - (d) Have an administration receiver appointed.
 - (e) Allow anyone to, or anyone threatens to, seize, take in execution or distrain upon any of your property;
 - (f) Abandon the vehicle or do anything which we reasonably consider might jeopardise our rights in the vehicle
 - (g) Exceed the allowed mileage
 - (h) Die
- 5.2 This agreement may be terminated by us at anytime by repossessing the vehicle, immobilising it by deactivating its engine management system (if it is safe to do so), or in any other way if you repudiate this agreement. You will be treated as having repudiated this agreement if you:
- (a) Fail for more than 28 days to pay any Rental or other sum due under this Agreement; or

- (b) Breach any other term of this Agreement and, if that breach can in our opinion be remedied, fail to remedy it within 7 days of our notifying you to do so.

- 5.3 After termination of this Agreement under clause 5.1 or 5.2 you will at your risk and cost return the vehicle to us at an address in Great Britain that we will specify.

6 RETURN AND INSPECTION OF THE VEHICLE

- 6.1 Unless terminated early under clause 5, this agreement will terminate automatically at the end of the period shown on the schedule and you will make the vehicle available for collection at your place of business in the United Kingdom during normal working hours.
- 6.2 On any termination of this Agreement you will ensure that the vehicle is returned in the condition in which it was originally supplied, fair wear and tear excepted.
- 6.3 We will inspect the vehicle on its return. If in our sole opinion the vehicles condition is acceptable we will refund the damage recharge deposit to you in full. If it is not acceptable we may carry out servicing, provide replacement parts (including all broken glass) or carry out repairs to put the vehicle in an acceptable condition, the costs of which will be charged to you and deducted from the damage recharge deposit. Should our costs exceed the Damage Recharge Deposit you will pay the difference to us.

7 PAYMENTS ON TERMINATION

- 7.1 On any termination of this agreement you will immediately pay to us together with value added tax:
- (a) All arrears of rental, administration fees (if any) and other sums due under this agreement together with interest
 - (b) Any Excess Mileage charge calculated in accordance with clause 9 and charged up to the time you return the vehicle to us or when we or our agents repossess the vehicle;
 - (c) A charge representing a genuine pre-estimate of our loss and calculated as half of the rental remaining to the end of the period of hire;
 - (d) Our costs;
 - (i) Of repossession, storage and insurance of the Vehicle
 - (ii) Of any recharge items under clause 6
 - (iii) Resulting from any accident or deliberate or negligent damage to the vehicle;
 - (e) A sum equivalent to one quarter of the Rental for each week or part of a week from termination to the date when the vehicle is returned or repossessed if following termination you fail to return the vehicle to us as required
- 7.2 Your obligations under clause 7.1 will be treated as if they had arisen immediately before termination.

8 MANUFACTURERS AND SUPPLIERS WARRANTIES AND EXCLUSION OF LIABILITY

- 8.1 On request on mutually agreed terms we will transfer to you so far as possible the benefits of any manufacturers and suppliers express warranties given to us relating to the fitness and performance of the vehicle.
- 8.2 Except as mentioned in clause 8.3 since the vehicle has been chosen by you and has not been inspected by us, we do not make or give any representation or undertaking express or implied as to the condition, description, quality or performance of the vehicle or its fitness for any particular purpose. All such representations and undertakings are specifically excluded.
- 8.3 The vehicle is hired to you with the benefit of undertakings about title, correspondence with description, fitness for purpose and satisfactory quality implied by the Supply of Goods and Services Act 1982.
- 8.4 No liability (except for death or personal injury resulting from our negligence) will attach to us in contract or in tort for loss, injury or damage sustained by reason of any defect in the vehicle whether latent or apparent and however caused.
- 8.5 In no circumstances will we be liable for any loss of profit or any other consequential loss incurred by you.

9 EXCESS MILEAGE

- 9.1 You will on request notify us of the mileage recorded on the mileometer of the vehicle ("the recorded mileage)
- 9.2 If the mileometer fitted to the vehicle has failed to work properly, you will notify us of the date of failure, the recorded mileage on that date, and the date on which the mileometer is repaired or replaced
- 9.3 We will estimate your mileage ("the estimated mileage") during the failure by;
 - (a) Dividing the recorded mileage by the number of days from the agreement date up to the date of failure; and
 - (b) Multiplying the result by the number of days during which the mileometer failed to work properly.
- 9.4 The total mileage will be the recorded mileage plus any estimated mileage.
- 9.5 If at any time during this agreement the total mileage exceeds the allowed mileage, this agreement will terminate under clause 5.1g and we may require you to pay on demand an excess mileage charge calculated by multiplying the difference between the total mileage and the allowed mileage by the excess mileage rate shown on the schedule. A vat invoice will be sent to you for each excess mileage charge.

10 ROAD FUND LICENCE

We will obtain and pay for each Road Fund Licence required during the period of hire. In the event of the cost of the licence being increased we reserve the right to charge you the amount of the increase.

11 SERVICING AND MAINTENANCE OBLIGATIONS

- 11.1 You will keep the vehicle in good condition and repair and you will notify us immediately of any mechanical defect in or damage to the vehicle.
- 11.2 You will be responsible for and pay the costs of;
 - (a) All servicing of the Vehicle by an approved dealer at the intervals recommended by the manufacturer, delivery and collection of the vehicle from the dealer, and ensuring that the vehicle service record has been stamped. Should you fail to collect the vehicle when it is ready and we incur any cost as a result, these will be re-charged to you;
 - (b) Maintaining the vehicle on a day to day basis in accordance with the manufacturers recommendations, including providing the correct type and amount of fuel, oil, lubricants, water and additives;
 - (c) Checking the tyres regularly, ensuring that they comply with any legal requirement and are in good condition, and where necessary having them repaired or replaced with tyres which comply with the manufacturers recommendations, they must be a like for like replacement.
 - (d) Having all necessary repairs, maintenance and fitting of replacement parts carried out promptly by an approved dealer, whether they are needed as a result of accident, deliberate, or negligent damage or otherwise, and particularly those needed to comply with any legal requirement. All parts must be approved by the manufacturer of the vehicle;
 - (e) Having the vehicle MOT tested when this is due in accordance with current legislation;
 - (f) Cleaning the vehicle to preserve bodywork and upholstery.

- 11.3 You will repay to us any costs we may incur in making the vehicle legally roadworthy other than costs, which would be our responsibility under clause 10.

12 GENERAL

- 12.1 You confirm that the information provided by you and shown on this agreement is true.
- 12.2 If you fail to pay any sum due on time we may charge you daily interest on that sum at the rate of 5% above National Westminster Bank Plc's base rate from time to time. Interest will be charged from the date payment became overdue until actual payment. This provision will apply both before and after any court judgement we may obtain against you and will survive and apply after termination.
- 12.3 Any notice required under this Agreement will be properly served only if in writing and sent by pre-paid post or delivered by hand to the addressee's address shown on this Agreement.
- 12.4 Our rights under this agreement will not be affected by any forbearance or concession made by us to you.
- 12.5 In negotiations for this agreement only persons expressly authorised in writing by us have had authority to act as our agent. No purported variation of this agreement shall be effective unless recorded in writing and signed by both parties.
- 12.6 You will not assign this agreement
- 12.7 You will pay to us on demand our administration charges for changing the terms of the Agreement providing additional services at your request, or for reminding you about or dealing with any failure by you to comply with the terms of this agreement. Details of our charges are available on request and will be notified to you in any event before you are charged.
- 12.8 Unless stated otherwise all rentals and other charges quoted in this agreement include VAT at the rate of 17.5% prevailing on the commencement date.
- 12.9 Save as expressly provided, none of the provisions of this agreement are intended to or will operate to confer any benefit pursuant to the contracts (rights of third parties) act 1999 on a person who is not named as a party to this agreement.
- 12.10 If you are more than one person or party then your obligations under this agreement will be binding on each of you separately and all of you jointly.

13 DATA PROTECTION

We may register details of this agreement and the conduct of your account with any licensed credit reference agency. This and the information you have given about yourself may be used to help make credit decisions, to prevent fraud, for tracing debtors and recovering our property. We may also disclose this information to any company or business associated with us to any person acting on your behalf for any purpose connected with our business. We, or those identified above may also contact you about services that may be of interest to you. You may choose not to be contacted in this way.

The Lessee agrees to sign this agreement, and by doing so has fully read and understood all its contents.

AUTHORITY TO SIGN AGREEMENT

The lessee shall be entirely responsible for ensuring that any person signing this agreement on behalf of the lessee is fully empowered to do so by the lessee. Failure on the part of the lessee to adequately ensure authority of the signatory shall not entitle the lessee to disclaim any liabilities in respect of this agreement

For Flexible Vehicle Rental Limited

Sign _____
 Print _____
 Position _____
 Date _____

Authorised Signature for and on behalf of the lessee

Sign _____
 Print _____
 Position _____
 Date _____