

Terms and Conditions of Use

The following Agreement is

Between:

- a) Co-wheels Community Interest Company. Registered Office: 3a Sunderland Road, Gilesgate, Durham DH1 2LH. Registered in England no. 6512325 (**the "Service Provider"**)
- b) You, the user of Co-wheels Car Club (**the "User"**)
- c) Any organisation licensed to operate as part of the Co-wheels network of car clubs, by the Service Provider in a defined area if the user is resident within that defined area (**the "Licensee"**)

1. Background

1.1 The Service Provider intends to make available to qualifying members of the public and corporate entities the facility of access to vehicles operated either solely by the Service Provider or by the Service Provider and a Licensee.

1.2 The Service Provider is willing to permit the User to use (and the User agrees to use) designated vehicles on the terms and conditions set forth in this Agreement.

1.3 Where a User is resident in the defined area of a Licensee, and the Licensee is a membership based organisation, then the User shall be considered a member of the Licensee organisation unless prohibited by the rules of the Licensee or until such time as membership is declined or terminated by either the Licensee or the User.

NOW IT IS AGREED AS FOLLOWS:

Definitions

The following terms have the following meanings;

"Agreement" means this agreement

"Collision Damage Waiver" an optional product purchased by the User to reduce the amount the User pays if the vehicle is damaged, lost or stolen while it is in the User's possession.

"Corporate Body" means an organisation which has entered into an agreement with the Service Provider whereby its employees, contractors, agents, or other authorised persons may use the vehicles on its behalf.

"User" means the person from time to time authorised to use the vehicle, and where the user is a Corporate Body, includes the person authorised by both that Corporate Body and the Service Provider to use the vehicle.

"User's Handbook" means User's handbook, which is issued to Users which may be superseded from time to time

2. The User's Agreement

2.1 The User agrees to be bound by the terms and conditions as listed in this agreement and acknowledges that The Service Provider reserves the right to repossess the vehicle at any time without demand at the User's expense if the terms of this Agreement are breached.

2.2 The conditions and responsibilities of the user shall lie, in the first instance, with the Corporate Body on the occasions when the user is using the vehicle with the authority and permission of a Corporate Body, and where that Corporate Body has agreed to accept the conditions and responsibilities.

2.3 For the avoidance of doubt, it is assumed that when an employee, contractor, agent, or other authorised person of the Corporate Body is using a vehicle during the block booked hours that the corporate body has given authority and permission for such usage.

3. Collection

The User agrees that prior to the driving away of the vehicle he/she will:

3.1 Inspect the vehicle for any damage either inside or outside the vehicle. Any damage not shown on the previous damage report must be recorded on the next damage report and in the logbook;

3.2 The User is only authorised to use the vehicle at the time and date specified in a booking made with the Service Provider.

4. Return

4.1 The vehicle must be returned by the agreed time and date to the designated collection point as pre-arranged with the central reservations, as provided by the Service Provider;

4.2 The User agrees to return vehicle keys to the glovebox within the vehicle immediately, at the end of each hire;

4.3 The User agrees he/she will return the vehicle with all documents and accessories present at the time of collection (see User's Handbook for details) and in the same condition as they were on collection;

4.4 All extension of vehicle hire requests from the Service Provider must be made prior to the agreed return time for hire.

5. Charges for Late Return

If the vehicle is not returned by the agreed time and date to the designated collection point, the Service Provider will be entitled to charge the User at the agreed rate (see relevant tariff details) plus any applicable penalty charges, until the vehicle is either returned or recovered.

6. Charges for Returning the Vehicle in Poor Condition Unacceptable to the Service Provider

If the vehicle is not returned to the Service Provider in the same condition as it was in on collection, the Service Provider will be entitled to charge the User for the cost of valeting, and/or servicing the vehicle (including the cost of spare parts), in addition to the charges arising under clause 9.

7. Other Charges

Full details of all the charges to Users are as shown on the Co-wheels website and are available in written form on request.

In accordance with the charges as set out on the Co-wheels website, the User shall pay or reimburse the Service Provider on demand the sum of:

7.1 The agreed joining fee and the agreed returnable deposit;

7.2 The agreed rental rate for the period including authorised and unauthorised extensions;

7.3 The agreed minimum monthly charge;

7.4 Any applicable penalty charges;

7.5 All mileage charges relating to the distance travelled whilst the vehicle is in use;

7.6 Any fines, penalties, court costs or other expenses imposed on the Service Provider by law, arising from the use of the vehicle while on rent to the User, unless due to the Service Provider's fault, which shall not relieve the User or any other person of direct responsibility to any public authority for his/her unlawfulness;

7.7 The Service Provider's costs, including reasonable legal fees and administration charges incurred in collecting amounts due from the User under this Agreement;

7.8 Interest at 9% above Bank of England Base Rate on any monies owing at the end of the month following the charge arising;

7.9 Any amounts due under any clauses in this agreement relating to the loss or damage to the vehicle;

7.10 Any sums incurred by the Service Provider in connection with the recovery of the vehicle, or otherwise incurred by the Service Provider due to the User's acts or omissions; and

7.11 The agreed monthly charge for the Collision Damage Waiver, in accordance with clause 22.

8. Responsibility of the User

8.1 Subject to clause 8.3, the User is responsible for the first £600 (aged 21 or over) or £750 (under 21) of any costs of repairs for damage to the vehicle, howsoever caused, unless the Collision Damage Waiver has been purchased in which case clause 8.1.1 will apply.

8.1.1 Subject to clause 8.3, where Collision Damage Waiver has been purchased, the User is responsible for the first £100 of any cost of repairs for damage to the vehicle.

8.2 Subject to clause 8.3, the User is responsible for the first £600 (aged 21 or over) or £750 (under 21) of any costs related to the theft of the vehicle whilst in their custody or control, unless the Collision Damage Waiver has been purchased in which case clause 8.2.1 will apply,

8.2.1 Subject to clause 8.3, where Collision Damage Waiver has been purchased, the User is responsible for the first £100 of any cost of repairs related to the theft of the vehicle whilst in their custody or control.

8.3 In the event that damage to the vehicle or theft of the vehicle is caused by the User's deliberate or fraudulent act, omission, abuse, negligence or any breach of any of the terms of this Agreement, the User is responsible to pay the full cost of repair or replacement of the vehicle as deemed appropriate by the Service Provider and the User's liability will not be capped at the excess amounts set out in clauses 8.1 or 8.2 and will not be protected by the Collision Damage Waiver product purchased by the User.

8.4 The User is responsible for checking the correct fuel card is in the vehicle at the commencement of the booking and for reporting its absence before driving off.

8.5 The User is responsible for unauthorised use of the fuel card whilst the vehicle is in their custody or control.

9. Care of the Vehicle

9.1 The User must look after the vehicle, making sure it is locked and secure when not in use, use the correct fuel, and set and use any security device fitted.

9.2 The User must check the oil and water on collection, and subsequently on a daily basis.

9.3 The User must inspect the tyres on a daily basis, and ensure that they are inflated to the correct pressure at all times.

9.4 The User is responsible for keeping the vehicle sufficiently supplied with the correct fuel (see Users Handbook), and ensuring that the vehicle interior is left clean and tidy before it is returned.

9.5 The user must report any damage caused to the vehicle whilst out on hire whether the vehicle is drivable or not.

10. Conditions of Use

10.1 The User must not allow the vehicle:

10.1.1 to be used to smoke in;

10.1.2 to be used to carry passengers or cargo for remuneration (it is however permitted to share the cost of hire with passengers);

10.1.3 to be used to propel or tow any vehicle, trailer or other object without the prior written agreement of the service provider;

10.1.4 to be used to take part in any race, rally, pace-making, trials, speed testing or other contest;

10.1.5 to be used for motor trade use;

10.1.6 to be used while the driver is under the influence of alcohol, drugs, or any other substance impairing their consciousness or ability to react;

10.1.7 to be used in contravention of any traffic regulations – note that committing any traffic offence, other than those listed in section 11.1.3 is a violation of this agreement;

10.1.8 to be driven by any other person (including any other User) who has not first been authorised by the Service Provider and added to the Service Provider Agreement;

10.1.9 to drive or be driven outside England, Scotland, and Wales without permission and documentation from the Service Provider;

10.2 Failure to comply with the conditions of use may result in the charge of penalty payments or the recovery of the vehicle without notice at the User's expense.

10.3 The User agrees to notify the Service Provider immediately (or at least 48 hours before the next booking, in any event) if any of the following events occur:

10.3.1 The User is involved in an accident involving a vehicle that he or she is driving (whether or not a Service Provider vehicle);

10.3.2 The User's driving licence is endorsed, and the User agrees to provide their licence with the schedule of endorsements to the Service Provider for copying;

10.3.3 The User's occupation changes to that of a restricted occupation (as defined in clauses 13.1.5, 13.1.6, 13.1.7, 13.1.8);

10.3.4 The User suffers from a health related complaint that restricts their ability to drive safely.

10.3.5 The User commits any motoring offence whether or not in a Service Provider Vehicle.

10.4 In the event that changes of status occur which affect eligibility the User will be suspended, unless renewed approval can be obtained under special conditions.

10.5 The User agrees that he/she has read and understood the User's Handbook and the procedures contained therein, and the conditions relating to the use of the vehicle, the security of the vehicle, and the use and care of the keys for the vehicle.

11. Insurance and Eligibility of Users

11.1 The service shall only be available to members of the public who meet the following acceptance rules:

11.1.1 Are over the age of 18.

11.1.2 Are full driving licence holders for the class of vehicle being hired, who have held their licence for a minimum of 12 months.

11.1.3 Have no endorsements on their licence for those aged 18 to 21, and no more than 6 penalty points in the last five years, for drivers aged 22 or over;

11.1.4 Have had no accidents in the last three years for drivers aged 18 to 21; no more than three accidents in the last three years for those aged 22 and over;

11.1.5 Has not been disqualified from driving for a period exceeding six months in the last three years or has been disqualified for more than three months during the past year.

11.1.6 Any person not disclosed on the hirer driving declaration (application form).

11.1.7 Have been involved in no more than three accidents in the last three years.

11.1.8 Have no more than two theft claims in the last three years.

11.1.9 Are not professional sportspersons, models, itinerant workers or members of the entertainment profession.

11.2 Drivers Not Insured:

11.2.1 Provisional licence holders.

11.2.2 Drivers aged under 21 years with any convictions, disqualification or accidents.

11.2.3 Drivers aged 24 or under when the vehicle being hired has a seating capacity of nine or more, in addition to the driver's seat.

11.2.4 Drivers with more than 6 points

11.3 Drivers with the following convictions on their licences will not be insured:

UT50; CD40; CD50; CD60; CD70; CD71; DD40; DD60; DD80; DR10; DR20; DR30; DR31; DR40; DR50; DR60; DR61; DR70; DR80 or DR90.

11.4 Disability Only where driver has notified DVLA at Swansea of the disability or disease and that a licence has been issued, or not revoked. Medical conditions which should be notified to DVLA are:

- An epileptic event
- Sudden attacks of disabling giddiness, fainting or blackouts
- Severe mental handicap
- a pacemaker, defibrillator or anti-ventricular tachycardia device fitted
- Diabetes controlled by insulin or tablets
- Angina (heart pain) whilst driving
- Multiple Sclerosis
- Parkinsons disease
- Any other chronic neurological condition
- A serious problem with memory
- A serious problem with confusion
- A major or minor stroke
- Any type of brain surgery, brain tumour or severe head injury involving hospital in-patient treatment
- Any severe psychiatric illness or mental disorder
- Continuing / permanent difficulty in the use of arms or legs which affects ability to control a vehicle safely

- Dependence on or misuse of alcohol, illicit drugs or chemical substances in the past 3 years – this does not include drink/driving offences
- Any visual disability which affects BOTH eyes – it is not necessary to declare short/long sight or colour blindness

11.5 The Service Provider has insurance coverage for the persons using the vehicle with their permission (and not otherwise) in accordance with an Automatic Liability Insurance Policy (see User's Handbook). This policy meets all applicable statutory requirements and protects the owner and/or authorised driver of the vehicle against any legal claims from third parties for personal injury or material damage caused by the use of the vehicle.

11.6 Where the User is a corporate body, they may enter into their own policy of insurance, provided that it is with a reputable insurance company approved in writing in advance by the Service Provider and their insurers, and on terms acceptable to the Service Provider, and their insurers. Documentary evidence of the insurance policy must be provided.

11.7 The User waives all rights to and agrees that the Service Provider or persons acting on its behalf will conduct negotiations and agree any settlement with the insurers and that any monies in respect of vehicle loss or damage will be paid to the Service Provider or such persons as the Service Provider may direct.

11.8 In the case of a user setting up an account, for the avoidance of doubt, this meaning that the user is responsible for all billing and charges for bookings against the account, regardless of the driver making the booking, they will be designated as the Account Owner. In such circumstances whereby the user is the Account Owner the user acknowledges that a credit check may be undertaken by us to confirm the user's identity and assess the eligibility of membership of the user. Such assessments of eligibility shall be considered on an individual basis and without prejudice.

12. Accidents

12.1 The User must report any traffic accident, loss, damage, or theft of the vehicle to the police immediately and to the Service Provider as soon as practically possible, which would normally be within 6 hours; the police reference number allocated must be provided.

12.2 The User must not admit liability or guilt in the event of an accident, or promise to pay any third party, or attempt any repair. A Service Provider accident or theft report form must be fully completed on request. If the User does not comply with this request, insurers may refuse the claim.

12.3 The User agrees to co-operate with the Service Provider and its insurers in any investigation or subsequent legal proceedings

13. Personal Property

The Service Provider is not liable to the User or any passenger for loss or damage to property left in the vehicle either during the period of hire or thereafter. Such property is left entirely at the User's or passenger's own risk. Users are not covered by the Service Provider's insurance for the theft of possessions or valuables from the vehicles.

14. Personal Data

The Service Provider will only use a User's personal information as set out in the Privacy Notice.

15. Indemnity

To the extent allowed by law:

15.1 The User agrees to indemnify and hold the Service Provider harmless against any claims in connection with operation of the vehicle, any damages suffered by, including

without limitation, the fines and other consequences referred to in clause 5 above, or any matters which are the consequences of the User's acts or omissions.

15.2 The Service Provider expressly disclaims any liability for damage or loss of any kind suffered by the User or any third party, unless it has been proven that the Service Provider is at fault.

16. The Service Provider's Agreement

The Service Provider agrees to be bound by the terms and conditions as listed in this contract and acknowledges that the User reserves the right to terminate the agreement at any time without demand at the Service Provider's expense if the terms of this Agreement are breached.

The Service Provider agrees to provide the minimum service provision, which is defined as follows:

17. Vehicle Provision

17.1 The Service Provider, will ensure, as far as is reasonably possible and in accordance with the Agreement, that the vehicle is in a roadworthy condition.

17.2 Vehicles are made available (according to the agreed terms and conditions) to Users from the designated parking stations from the booked start time, and are accessed by the User's smartcard (see User's Handbook for details). Once the vehicle has been checked for external damage and internal neglect, and relevant details of condition have been entered in the logbook, a User can then use the vehicle in accordance with the agreed terms and conditions.

17.3 The Service Provider ensures that the vehicles are in a roadworthy condition and are regularly serviced. In the event of a vehicle breakdown occurring, and once the User has requested assistance (as set out in the User's Handbook), a designated breakdown Service Provider will attend to the vehicle (according to the terms and conditions as arranged with the Service Provider).

17.4 Vehicles can be booked via a Service Centre or through the internet booking site. The Service Centre can be contacted at specified times (see User's Handbook) for bookings, general enquiries, reporting theft, or damage of any other nature using the contact details shown in the current User's Handbook. To access a vehicle, bookings must be made in advance according to the terms and conditions set out in the User's Handbook. If the User's requirements cannot be met, the Service Centre will endeavour to offer an alternative but cannot guarantee to meet all the User's requirements.

18. General

Changes to this Agreement

Any changes to the terms and conditions of this Agreement will be notified to the User by the Service Provider.

19. Term of this agreement

19.1 Save for the Collision Damage Waiver which can be terminated in accordance with clause 22.1, this Agreement shall remain in force until cancelled in writing by either party and the User has paid all monies due to the Service Provider.

19.2 This Agreement will be terminated if superseded by a new contract between the User and a new Service Provider (in agreement with the current Service Provider and User)

20. Law and jurisdiction

Any proceedings arising in connection with this Agreement shall be submitted to the non-exclusive jurisdiction of the competent court in the county of registration of the vehicle.

The applicable law in any proceedings will be the law of the courts of England, Wales and Scotland.

21. Assignment

The User shall not be entitled to assign or otherwise transfer any of its rights or obligation under this Agreement.

22. Collision Damage Waiver

The Collision Damage Waiver cover limits the User's financial exposure for damage caused to the Vehicle whilst it is in the User's care. If a User purchases the Collision Damage Waiver product and complies with the applicable laws and the terms of this Agreement then the Service Provider will pay for any damage to the vehicle that exceeds the excess amount (referred to at clauses 8.1.1 and 8.2.1). The purchase of a Collision Damage Waiver is optional and may be declined by the Service Provider. Collision Damage Waiver is not insurance and does not provide or alter insurance coverage.

22.1 On payment of the relevant charges Optional Collision Damage Waiver is provided to the User by the Service Provider for a minimum term of 12 months ("minimum term") and thereafter the User may cancel the product by giving the Service Provider one calendar month's written notice.

22.2 The User has the right to cancel the Collision Damage Waiver agreement within 28 days of purchasing the coverage provided the User has had no incidents where the coverage has been utilised unless clause 22.3 applies. In the instance of cancellation by the User the following will apply:

- i. Where the User has not made any journeys covered by the Collision Damage Waiver during the period, any charges shall be refunded
- ii. Where the User has made (a) journey(s) covered by the Collision Damage Waiver, regardless of the need to facilitate coverage, no refunds shall be made.

22.3 Should the User take out Collision Damage Waiver and subsequently cancel the subscription they may re-subscribe to the cover, however, where a User is re-subscribing to Collision Damage Waiver following cancellation under clause 22.2 of this Agreement, it will be considered a linked period and as such the 28 day cancellation period will not apply and the minimum term in such circumstances will apply as per clause 22.1. This will be applicable for the continuous period that the User is a member of Co-wheels Car Club.

22.4 The Service Provider retains the right to cancel the Collision Damage Waiver agreement at any time for any reason. Where the Service Provider exercises the right to cancel Collision Damage Waiver, the Service Provider will notify the User and the date of cancellation will be deemed as the date that the Service Provider has notified the User.

22.5 If the Collision Damage Waiver is cancelled by the User during the minimum term (but after the 28 day period referred to in clause 22.2), the User shall remain liable for all charges due throughout the minimum term.

22.6 Where Collision Damage Waiver coverage as been cancelled, by either the User or the Service Provider, only bookings completed up to the date of cancellation will be deemed as covered. Any bookings made where the start date of the booking is after the cancellation date will not be covered and normal excess rates will apply.

22.7 It is the responsibility of the User to ensure there is sufficient Collision Damage Waiver coverage applicable to the number of drivers on the User's account in accordance with the rates at sign up and advertised on the Co-wheels website.

22.8 In the event that it has been identified that the coverage is at an inappropriate level based on the number of drivers on an account, the Service Provider retains the right to consider the coverage void and apply standard excess rates.

22.9 Where the User increases coverage based on additional drivers this will be considered a continuation of the original agreement for the Collision Damage Waiver product rather than a new agreement.

22.10 Where a User has multiple User accounts, coverage will only apply to the account billed for Collision Damage Waiver. Should the User wish additional accounts to be covered they must take out additional coverage against the specific accounts.