

TC1 - DAILY RENTAL CAR/VAN HIRE AGREEMENT

Date: INSERT DATE

BETWEEN:

(1) Cocoon Vehicles Limited (Company Number 06113683) of First Floor Suite 1.01a, 62 King Street, Belper, Derbyshire, DE56 1PZ "the supplier"; and

(1) Cocoon Vehicles Limited (Company Number 06113683) of The Old Co-operative, 36 Holbrook Road, Belper, DERBYSHIRE, DE56 1PA "the customer"

1 Definitions

"Actual Mileage"	means the number of miles driven by a Vehicle since the commencement of a Hire;
"Annual Mileage"	the monthly mileage multiplied by twelve;
"Collection address"	means the address notified to Cocoon Vehicles in respect of a Vehicle by the Customer or the relevant Permitted Driver prior to the end of the Hire Period if the vehicle is not to be returned by the Customer;
"Effective Date"	means INSERT DATE
"Excess Mileage Charge"	expressed in pence per mile and detailed on the Schedule;
"Expert"	means an expert appointed by Cocoon Vehicles and/or connected suppliers to carry out the valuation of the Vehicle contemplated by clauses 3.11.2;
"Hire Payments"	means the payments due in respect of each vehicle calculated at the applicable daily/weekly/4-weekly/monthly rate notified to the Customer by Cocoon Vehicles;
"Hire Period"	means the period from when a Vehicle is at the disposal of the Customer, for the purposes of any calculations this will be expressed as a number of hire days;
"Insurers"	means the insurers of a Vehicle and third party risks under the policies taken out in accordance with clauses 3.8 and 3.9;
"Minimum Qualifying Period"	means the minimum period that the vehicle must be on hire for to qualify for the rate quoted.
"Monthly Mileage"	expressed in miles per month and detailed on the Schedule;
"Permitted Driver"	means any person who is authorised under clause 4 to drive a Vehicle and whose details appear in Part V of the Schedule;
"Presumed Value"	means the market value of a Vehicle on a sale by a willing seller to a willing buyer on the assumption that the Vehicle

is maintained in accordance with the terms of this Agreement and complies with the Return Conditions and has not sustained a Total Loss;

- “Relevant Proportion” means in respect of a Vehicle the number of miles which results from dividing the annual mileage by 365 and multiplying by the Hire Period;
- “Return Address” means Cocoon Vehicles Ltd, Cocoon Vehicles Ltd, First Floor Suite 1.01a, 62 King Street, Belper, Derbyshire, DE56 1PZ or any other address notified to the Customer or any Permitted Driver by Cocoon Vehicles prior to the end of the Hire Period;
- “Return Condition” means the conditions specified in Clause 5 being those to which each Vehicle should comply at all times during the Hire Period and upon their delivery up to Cocoon Vehicles at the expiry of the Hire Period or upon earlier determination of this Agreement;
- “Schedule” means the schedule to this Agreement;
- ‘Total Loss’ means the theft of a Vehicle or a total loss or constructive or arranged total loss as declared by the Insurers or otherwise adjudged;
- “Vehicle” means any Vehicle hired by the Customer under the terms of this Agreement;

2 Cocoon Vehicles' obligations

2.1 Cocoon Vehicles undertakes:

- 2.1.1 to make each Vehicle available to the Customer for the Hire Period along with 1 working key;
- 2.1.2 to ensure that each Vehicle is duly taxed and is roadworthy and complies with the requirements of the Road Traffic Acts and all regulations made under such Acts;
- 2.1.3 to collect each vehicle from the relevant collection address at the end of the Hire Period relating to that vehicle if collection is requested by the Customer - unless agreed otherwise, standard collection charges will apply;
- 2.1.4 to carry out its obligations under this agreement with reasonable skill, care and diligence and in compliance with all applicable laws;

3 The Customer's obligations

The Customer undertakes:

- 3.1 to make all Hire Payments due under this Agreement in line with the following Advanced Payment terms:
 - 3.1.1 all vehicle hires will be invoiced in Advance with the initial invoice for each vehicle covering the vehicle hire for the first agreed period and any

applicable delivery and/or documentation fee's for which immediate payment is due;

3.1.2 period invoices for all schedules remaining in effect will be generated in advance each period and payment will be taken by Direct Debit on/or around the date of invoice, unless specifically agreed otherwise.

3.1.3 it is a condition of this agreement that so long as any schedule remains in effect the Customer shall maintain in force a mandate to its bankers to enable Cocoon Vehicles promptly to collect by direct debit all sums which may become due from the Customer under this agreement.

3.1.4 all additional invoices generated will become due for payment by direct debit within 5 working days of the invoice date in line with the Direct Debit Guarantee;

3.1.5 any payment to be made by the Customer which cannot be collected on first demand by direct debit shall carry an administration charge of such sum per payment as Cocoon Vehicles may from time to time require which shall be advised to the Customer and which administration charge shall be payable by the Customer as a Recharge item [See list of advised charges];

- 3.2 to inspect each Vehicle on delivery or collection whichever applies and notify Cocoon Vehicles immediately of any defect. If no such notification is given it shall be conclusively presumed that the Vehicle is in good order and condition and in every way satisfactory to the customer at the time of such delivery / collection;
- 3.3 to drive and otherwise use each Vehicle in a responsible manner and in compliance with all of the relevant provisions of the Road Traffic Acts and all regulations made under such Acts;
- 3.4 not to drive any Vehicle on unmetalled roads;
- 3.5 not to attach or allow any Vehicle to be attached to a caravan or any trailer without the prior written consent of Cocoon Vehicles;
- 3.6 not to use any Vehicle for racing or any other form or competition or any other hazardous or unusual use;
- 3.7 to keep each Vehicle at all times in good repair condition and working order properly serviced and maintained and in accordance with the Return Conditions;
- 3.8 to insure each Vehicle and keep each Vehicle insured under a fully comprehensive policy at the Customer's expense throughout the Hire Period for each Vehicle's full replacement value against all liabilities without restriction or excess;
- 3.9 to insure Cocoon Vehicles and the Customer against all liability to third persons for death personal injury and damage to or loss of property arising directly or indirectly out of the use or possession of each Vehicle and all other risks required to be covered by the Road Traffic Acts or any modification or re-enactment of them for such amount as Cocoon Vehicles may stipulate from time to time or in the absence of any such stipulation for such amount as is prudent in all the circumstances and in any event for a sum not less than £2,000,000;
- 3.10 in the event that each Vehicle is stolen to:

- 3.10.1 inform the police of the theft within 24 hours of the theft of that Vehicle and obtain an incident or crime number;
 - 3.10.2 complete and return any documentation sent by Cocoon Vehicles and/or connected suppliers in connection to the theft of the Vehicle within 48 hours of receiving such documentation;
- 3.11 to pay to Cocoon Vehicles upon the expiry of 30 days after a Total Loss (or on such later date as the Cocoon Vehicles may agree) an amount equal to the sum of:
 - 3.11.1 all arrears of Hire Payments;
 - 3.11.2 such amount as the Expert may determine as the amount (if any) by which the Presumed Value on the date of the occurrence of the Total Loss exceeds the sum paid by the Insurers;
 - 3.11.3 such sum as is required to compensate Cocoon Vehicles and/or connected suppliers for the loss or destruction of or damage to the Vehicle. For the avoidance of doubt this includes loss of revenue sustained by Cocoon Vehicles through the Vehicle not being available for other customers of Cocoon Vehicles whilst the Vehicle is being repaired or replaced;
- 3.12 that if on the expiry of the period of 30 days from the date of the Total Loss the Insurers have not made payment to Cocoon Vehicles under the policy or policies maintained in compliance with clause 3.8 above the Customer shall pay to Cocoon Vehicles upon demand such sum as shall be determined by the Expert to be the Presumed Value in lieu of the amount to be calculated and paid under the terms of clause 3.11.2;
- 3.13 to pay the costs and expenses of the provision of the opinion of the Expert such costs and expenses (if any) to be added respectively to the amounts payable under clauses 3.11.1 or 3.11.2;
- 3.14 that if, during the Hire Period, a Vehicle sustains loss or damage not amounting to a Total Loss the Customer will immediately notify Cocoon Vehicles and to apply all insurance moneys payable to make good such damage and upon being requested by Cocoon Vehicles the Customer will assign to Cocoon Vehicles all the Customer's rights benefits and claims under any relevant policy of insurance;
- 3.15 to be solely responsible for and to indemnify Cocoon Vehicles in respect of all loss of or damage to each Vehicle (in so far as Cocoon Vehicles is not reimbursed by the proceeds of insurance in respect thereof) however caused occurring at any time or times before they are redelivered to Cocoon Vehicles under the terms of clause 5 below;
- 3.16 to keep each Vehicle in its own possession and in compliance with any policy of insurance affecting that Vehicle provided that that Vehicle is not removed from Great Britain and neither to sell or offer for sale or otherwise deal with that Vehicle or any interest in it or in this Agreement nor to allow the creation of any charge or lien over that Vehicle;
- 3.17 to indemnify Cocoon Vehicles against all loss, actions, claims, demands, proceedings, (whether criminal or civil) costs, legal expenses, (on a full indemnity basis) insurance premiums and calls liabilities judgments damages or other

sanctions whenever arising directly or indirectly from the Customer's failure or alleged failure to carry out its obligations under this agreement or by reason of any loss injury or damage suffered by any person (including without limitation the Customer) from the presence, delivery, possession, hiring, transportation, condition, use, operation, removal or return of any Vehicle or any defect in the Vehicle or the design manufacture testing maintenance of any Vehicle or the Customer exercising any right in respect of any Vehicle;

- 3.18 to deliver up each Vehicle in good repair and working order together with all records and handbooks in respect thereof and in accordance with the Return Conditions at the expiration of the Hire Period or upon earlier determination of this Agreement or the hiring under it to the Return Address or such other address in Great Britain as Cocoon Vehicles may notify to the Customer prior to delivering up that Vehicle and to allow Cocoon Vehicles its agents or representatives access to any premises where that Vehicle may be for the purpose of inspecting and removing that Vehicle;
- 3.19 to sign a separate rental form where additional equipment is hired agreeing further terms and conditions, terms of use and daily/weekly/4-weekly/monthly hire costs for each piece of equipment hired.
- 3.20 to take the vehicle for the Minimum Qualifying Period to secure the rate quoted on the rental/schedule agreement. Should the Minimum Qualifying Period not be achieved a penalty of 1.5 times the agreed period rental charge will apply.

4 Permitted Driver

- 4.1 The Customer may authorise any person in its employ to drive the Vehicle under the terms of this Agreement;
- 4.2 The Customer undertakes to ensure that all persons authorised under clause 4.1 to drive a Vehicle hold a valid driving licence and are insured to drive the vehicle in line with clause 3.8;
- 4.3 The Customer shall exercise reasonable care in selecting persons it nominates under clause 4.1;
- 4.4 The Customer shall be responsible for all Road Traffic Offences, parking tickets, bus lane violations and congestion charges committed or incurred by any Permitted Driver and any administration fee charged by Cocoon Vehicles [See list of advised charges];
- 4.5 The Customer shall be liable to Cocoon Vehicles on a strict liability basis for any damage caused to the Vehicle or any losses flowing directly or indirectly from the breach of this Agreement by any Permitted Driver;

5 Return Condition

- 5.1 Each Vehicle shall be made available for collection by the customer or delivered by the Customer to Cocoon Vehicles at the end of the Hire Period in the same repair and condition as when delivered to the Customer under this Agreement (please refer to attached return standards document) and all workmanship and repairs shall have been made to industry/maker standard;
- 5.2 Upon collection of a vehicle by Cocoon Vehicles or delivery of a Vehicle by the Customer to Cocoon Vehicles at the end of the Hire Period the Vehicle shall:

- 5.2.1 have free moving doors and be fitted with serviceable seals and have carpets and seat covers in a good condition and clean;
- 5.2.2 have bodywork free from dents and all repairs to the body work shall have been carried out in accordance with the manufacturer's recommended procedures for effecting permanent repairs;
- 5.2.3 have windows free of material delamination;
- 5.2.4 have fuel tanks free from contamination and corrosion; and
- 5.2.5 be accompanied by all records and handbooks in respect of the Vehicle;
- 5.3 Cocoon Vehicles is permitted to take custody of any property belonging to the Customer or any Permitted Driver left in a Vehicle when the Vehicle is delivered up to or collected by Cocoon Vehicles. Cocoon Vehicles shall be entitled to keep or dispose of such property after 4 weeks have lapsed from Cocoon Vehicles informing the Customer that the property was left in the Vehicle;
- 5.4 The customer should be made available for the collection agent to complete a basic walk around inspection and complete a vehicle condition report (VCR). The VCR is a vehicle movement report carried out by the agents of Cocoon Vehicles and should not be confused with the comprehensive report which is conducted when the vehicle returns to our specified location.
- 5.5 The Customer will adhere to the breakdown of the returns standards as listed in the addendum, any contested charges must be made within 72 hours of the inspectors comprehensive report and/or receipt of invoice. No disputes made after 72 hours will be accepted.
- 5.6 Should the Collection Agents for Cocoon Vehicles have to wait for a grace period of 30 minutes or more for a vehicle/s. Then a waiting charge will be added to the final invoice as laid out in the list of advised charges.

6 Conditions warranties and exclusion

- 6.1 Cocoon Vehicles shall not be liable to the Customer:
 - 6.1.1 in contract or in tort for loss injury or damage arising by reason of any defects in a Vehicle whether such defects be latent or apparent on examination (other than liability for death or personal injury arising from the negligence of Cocoon Vehicles);
 - 6.1.2 for any statement term condition warranty or representation made by any supplier dealer agent broker or other person through whom this Agreement may have been introduced negotiated or conducted and persons other than those in the employ of Cocoon Vehicles have no authority express or implied to act as agent for Cocoon Vehicles;
 - 6.1.3 either for any loss whatever suffered by the Customer as a result of a Vehicle being unusable or to supply any replacement Vehicle during any period when a Vehicle is unusable;
 - 6.1.4 for any loss or damage incurred or sustained by the Customer in consequence of Cocoon Vehicles terminating the hiring under clause 7 below or in retaking possession of a Vehicle;

- 6.1.5 for providing any courtesy cars;
- 6.2 If the Customer does not notify Cocoon Vehicles on delivery of any defect in a Vehicle it shall be conclusively presumed that that Vehicle is in good order and condition and fit for the purpose for which it is required and is in every way satisfactory to the Customer;
- 6.3 Cocoon Vehicles shall pay to the Customer the sum (if any) by which the insurance money in respect of a Total Loss received by Cocoon Vehicles exceeds the sums paid by the Customer to Cocoon Vehicles under clause 3.12 provided that the Customer shall have first discharged in full all its obligations under this Agreement including without limitation its liability to pay the sum calculated under clause 3.11 above;

7 Termination

- 7.1 It is hereby agreed that forthwith upon the occurrence of a Total Loss the hiring of the relevant Vehicle shall terminate but without prejudice to this Agreement (which shall continue in full force and effect in respect of all other vehicles) and to any claims or liabilities then outstanding or thereafter arising in respect of that vehicle;
- 7.2 Without prejudice to Cocoon Vehicles' right to arrears of Hire Payments or other sums due or for damages for breach of this Agreement Cocoon Vehicles may terminate the hiring of a Vehicle under this Agreement on the occurrence of any of the following events giving. Minimum of one day's notice:
 - 7.2.1 if the Customer does not pay any of the Hire Payments or any of the sums agreed to be paid by the Customer to Cocoon Vehicles under this Agreement punctually on the date when due;
 - 7.2.2 if the Customer shall be in breach of any term of this Agreement;
 - 7.2.3 if the Customer abandons the Vehicle;
 - 7.2.4 the Customer makes any voluntary arrangement with its creditors or becomes subject to an administration order or goes into liquidation or is otherwise wound up;

whereupon Cocoon Vehicles' consent to the Customer's possession of the Vehicle shall determine immediately and Cocoon Vehicles may take possession of the Vehicle wherever it may be;

- 7.3 The Customer can terminate the hiring of a Vehicle at any time by returning the vehicle to Cocoon Vehicles and by paying the outstanding amount due for the Hire Period. Alternatively a collection can be arranged, unless agreed otherwise, standard collection charges will apply;
- 7.4 Cocoon Vehicles reserves the right to terminate the hiring of a vehicle at any time, giving a minimum of one day's notice.

8 Consequences of termination

- 8.1 Immediately upon the hiring of a Vehicle being determined under clause 6.2 above or if this Agreement is terminated by Cocoon Vehicles pursuant to clause 7.2 the Customer shall pay to Cocoon Vehicles;

- 8.1.1 all arrears of Hire Payments (if any);
- 8.1.2 damages for any breach of this agreement and all expenses and costs incurred by Cocoon Vehicles in retaking possession of the Vehicle or enforcing its rights under this Agreement;
- 8.1.3 any excess mileage charge. If the Actual Mileage exceeds the Relevant Proportion the Hirer shall pay to Cocoon Vehicles the amount which is produced by multiplying such difference by the Excess Mileage Charge;

9 Interest

- 9.1 The Customer shall pay to Cocoon Vehicles interest on Hire Payments or any other sums payable under this Agreement that are not paid when due calculated on a daily basis and compounded quarterly from the due date until payment at the rate of 5% a year over the base rate from time to time of Santander Bank;

10 Generally

- 10.1 **INSERT FUNDER/SUPPLIER** shall at all times retain the ownership of the Vehicle and the Customer shall have no ownership rights or interest in the Vehicle.
- 10.2 Any delay or failure of Cocoon Vehicles to exercise any right or remedy shall not constitute a waiver of it or them and any of Cocoon Vehicles' rights or remedies may be enforced separately or concurrently with any other right or remedy now or in the future accruing to Cocoon Vehicles, to the effect that such rights are cumulative and not exclusive of each other.
- 10.3 This agreement contains all the terms agreed between the parties except for such variations as shall be agreed in writing by Cocoon Vehicles and the Customer. The rights of Cocoon Vehicles are assignable by Cocoon Vehicles without the Customer's consent. The Customer is not permitted to assign this agreement;
- 10.4 Any written communication from Cocoon Vehicles to the Customer shall be sufficiently served if sent by prepaid post or letter or email or delivered by hand to the address of the Customer as referred to above and if sent by post or letter shall be deemed to have been received by the Customer 48 hours after the time of posting and at the date of delivery if delivered otherwise than by post to the Customer's address;
- 10.5 All sums payable under this agreement shall be paid together with the addition of such VAT as is legally payable on those sums;
- 10.6 The continuance of this Agreement or the Customer's liability for payment of the Hire Payments and all other sums under it shall not be affected in any way by the loss, theft, Total Loss or any damage to or any defect in the Vehicle whether latent or patent save as provided in clause 7 above;
- 10.7 All the obligations of the Customer under this Agreement shall be discharged at the Customer's cost and expense;
- 10.8 The Contracts (Rights of Third Parties) Act 1999 is excluded from applying to this Agreement and nothing herein confers or purports to confer on any third party any benefit or any right to enforce any term of this Agreement;
- 10.9 This Agreement shall be governed and construed according to the law of England and Wales;

10.10 By signing this agreement you are agreeing to any future amendments of the TC1 agreement and/or revised list of charges listed in the addendum. Copies of which can be downloaded from our website or requested by emailing enquiries@cocoon-group.co.uk

DATA PROTECTION

For our latest data protection policies and information on how we use and retain your data, please visit <https://cocoonvehicles.co.uk/compliance/>

Signed by)
for and on behalf of **Cocoon Vehicles Limited**)

Director

Signed by)
for and on behalf of **INSERT CUSTOMERS NAME**)

ADVICE OF CHARGES

Link: <https://account.cocoonvehicles.co.uk/advice-of-charges/>

Please find below the list of our charges as of **16th November 2023**, that relate to administration charges relating to the master hire agreement TC1 and/or Contract Hire Documents CH1.

Administration Charge for Penalty Notices, Fixed Penalty Notices, Information requests from authorities, Congestion Charges, DART Charges, Parking Charge Notices and/or Speeding Offences (Charge applies even if the ticket/offence has been cancelled by the issuing authority/firm):

UK Issued	£37.50 + VAT	£45.00 inc. VAT
Foreign Issued	£65.00 + VAT	£78.00 inc. VAT

Supply and Issue of VE103B Certificate to take your hire car/van abroad. *(Please ensure your vehicle has the appropriate breakdown cover):*

From	£35.00 + VAT	£42.00 inc. VAT
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Emergency VE103B, where 14 days-notice has not been given and emergency documents have had to be raised:

	£75.00 + VAT	£90.00 inc. VAT
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Bounced Direct Debit Charge:

	£25.00 + VAT	£30.00 inc. VAT
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Indemnity Claim on Direct Debit/Card Payment when the customer is in error.

	£75.00 + VAT	£90.00 inc. VAT
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Late Payment Charge:

	£10.00 + VAT	£12.00 inc. VAT
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Cancellation and Reinstating of Direct Debit Mandate when cancelled by the customer without a valid reason and/or notification:

	£25.00 + VAT	£30.00 inc. VAT
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Cheque Payments either when sent in via post, presented in person at Cocoon Vehicles or sent directly to our bank:

	£25.00 + VAT	£30.00 inc. VAT
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Cash Payments either presented in person at Cocoon Vehicles or paid into our bank account at branch and/or agent:

	£4.50 + VAT per £100	
	£5.40 inc. VAT per £100	

Personal Debit/Credit Card Payments that show clearly on the Worldpay/Stripe receipt/system that the card being used is either a Mastercard Debit, Maestro Debit, Visa Debit or a Visa Electron:

Free of Charge

Corporate Debit/Credit/Charge/Corporate/Prepay Cards that show clearly on the Worldpay/Stripe receipt/system that the card being used is either a Mastercard, Mastercard Credit, Visa, Visa Credit, except for AMEX / American Express:

1.9% of amount taken

Credit/Charge/Corporate/Prepay Cards that show clearly on the Worldpay receipt/system that the card being used is either an AMEX or an American Express Card:

0.0% of amount taken

Congestion Charges when enrolled on Cocoon Vehicles Fleet Pay:

Enrollment Charge: £15.00 NO VAT
Per charged Vehicle: **£30.00 (breakdown)**
£15.00 Congestion Charge
£12.50 plus VAT Admin

Collection Charge when no replacement vehicle has been ordered, this will be calculated from the collection point to the de-fleet centre.

Minimum. £1.25 plus VAT per mile
(Min £75.00 plus VAT)

Collection Charge Fuel Surcharge (where applicable) – levied due to cost-of-living increases and charged where Cocoon Vehicles Ltd receives a charge from supplier/funder/delivery agent.

Minimum. £15.00 plus VAT

Collection Charge waiting time after initial grace period of 20 minutes:

£50.00 + VAT per hour, per vehicle
£60.00 inc VAT per hour, per vehicle

Fuel Shortage/Electric Charge charged where the vehicle has not been returned with the same amount of fuel as per delivery:

Variable/ Please Visit:
<https://account.cocoonvehicles.co.uk/advice-of-charges/fuel/>

Missing items from the vehicle after the vehicle has been collected/returned to Cocoon Vehicles:

Cost of postage/courier plus £35.00 + VAT
£42.00 inc. VAT

Missing proof of servicing, missed service or late services are chargeable at the cost of the manufacturer main dealer service as detailed in the return conditions. The minimum charge will be:

Minimum **£500.00 + VAT plus return**

conditions

Minimum £600.00 inc. VAT plus return cond.

Administration charge for raising an end of contract invoice should there be damage/excess mileage listed:

£100.00 + VAT £120.00 inc. VAT

Cherished Plate; Assignment or Take Private Plate Off Vehicle:

Price on Application

Discount for paying monthly rental by Direct Debit, all alternative payment methods will incur this amount:

£100.00 + VAT £120.00 inc. VAT

RETURN CONDITIONS

Updated 25th September 2024

This document forms part of the Hire Agreement and sets out our procedures for Vehicle returns and the standards to which the Vehicle must comply when it is returned to us.

Please read this document carefully, and sign below to confirm you understand and accept all the elements contained within it. The capitalised terms in this document have the same meaning as in your Hire Agreement.

It is agreed that all end of term excess mileage and rectification work will be handled and invoiced by Cocoon Vehicles and/or their agent, directly with the Hirer. All invoice costs will be collected by Direct Debit or payment mandate. Should a Direct Debit be cancelled it will incur a £25.00 plus VAT (£30.00 inclusive) administration charge. The vehicle condition should be within the terms and conditions of the return conditions guide listed below.

Please Note. Rental and Short-Term Lease vehicles are not applicable to the BVRLA fair wear and tear guidelines, we do follow the BVRLA Rental Code of Conduct where applicable. Only 1 car will be available with your vehicle.

Delivery

All vehicles must be checked by the Hirer upon delivery and any defects, damage or missing items noted on the delivery agents paperwork. Cocoon Vehicles must be notified in writing within 1 working day of the vehicle delivery of any faults. Defects, damage or missing items noted after 1 working day from delivery will be deemed the responsibility of the Hirer.

Collection and Inspection

The Vehicle should be made available for collection on or before the last day of the Lease Period. The Customer must contact Cocoon Vehicles Ltd at least five working days prior to the end of the Lease Period to arrange a mutually acceptable collection date. Failure to give five working days' notice may result in late return fees. Please ensure your Vehicle is available between 08.00 hrs – 17.00 hrs on your confirmed collection date. Failure to do this may result in an abortive collection charge of £175.00 (plus VAT) plus associated costs.

Where applicable, the vehicle may be available for return to the specified de-fleet centre. To return your vehicle the Customer must complete a RETURNS REQUEST form (*Available on our Website*) at least five working days prior to the end of the Lease Period or the off-hire date to arrange a mutually acceptable date/time slot at the de-fleet centre. All slots available on a first-come, first-serve basis.

Where an off-hire occurs on a Friday or a day preceding a bank holiday, the vehicle will remain on-hire until the next working day. There are also black-out periods where it will not be possible to return or have your vehicle collected, please see the header BLACKOUT PERIODS below.

The collection agent will complete a very basic 'walk-around' inspection and complete a vehicle condition report (VCR). The VCR is a vehicle movement report and should not be confused with the comprehensive report which is conducted when the Vehicle returns to our location. You will be asked to sign the VCR to confirm you agree with the report and a copy will be provided to you. The collection agent will then remove the Vehicle and drive it back to the specified de-fleet centre, where applicable. Once the Vehicle has been returned, it will be made ready for an independent comprehensive inspection.

This inspection reports the condition of the Vehicle on return to the de-fleet centre including miles driven and any damage.

Once the report is complete, an invoice for any damage, excess mileage, missed servicing etc. will be raised and emailed to you. You will then have 72 hours to notify Cocoon Vehicles Ltd of any charges being contested from the date and time that Cocoon Vehicles Ltd sends the invoice. If you do not dispute the invoice within 72 hours of receipt we will consider that you've accepted that the damage

has occurred and the charges are due and payable. All invoices must be paid within 7 days of the date of the invoice.

Once the vehicle has been collected by our delivery agent, the vehicle cannot be retained and the possibility of any correction work to the vehicle will be zero.

It can take up to 28 days to receive the final inspection report from the supplier/funder and we will endeavour to provide the end of contract within this time period. Factors externally may delay this process, especially if Cocoon Vehicles Ltd has placed items into dispute on your behalf.

Blackout Periods

There are periods of time where it will not be possible to return or have a vehicle collected. These will be clearly published on our website at cocoonvehicles.co.uk/blackouts/ - Where possible these will also be communicated via our CRM system and information posted out with your return standards booklets.

Late Returns

Informal extension / late returns will be charged from the end of contract to the date of off-hire (collection of the vehicle/return to specified de-fleet centre), unless otherwise agreed in writing. The first three days will be charged at the prevailing daily rates + VAT; this will then increase to 150% of the period between 3 and 14 days. If the vehicle is still not collected after 14 days the charge will be increased to 200% of the period rental rate, pro-rated. If the vehicle is still not available for off-hire/collection after 4 weeks of the term end date, Cocoon Vehicles reserves the right to insist the Hirer purchases the vehicle within 10 days.

Outstanding Warranty Issues

Any warranty work on the vehicle must be completed before return of the vehicle unless with expressed permission of the manufacturers/supplier whereby a view will be taken regarding the nature and severity of the problem and the length of time required to rectify the said problem.

Fuel/Electric Levels

Please ensure that the fuel level at the point of delivery and receipt by yourself is noted. You will be required to return the vehicle with the same level of fuel. Failure to do this will result in refuelling charges, please visit: <https://account.cocoonvehicles.co.uk/advice-of-charges/fuel/> for the latest per litre rate. An administration charge may also be levied.

On Electric and Plugin Hybrids, please ensure that the vehicle is recharged to at least 90%. Failure to do so may result in charging costs and drivers waiting time.

Reporting Damage

Any repairs expecting to cost more than £1,000, or worth more than 10% of the value of the vehicle, either to the bodywork or mechanical must be reported to Cocoon Vehicles prior to the authorisation of the repair. A manufacturer approved repair agent will be required to complete repairs, according to the respective manufacturer's specifications.

Any vehicle that is stolen, deemed to be beyond economic repair or has major damage, the Hirer's insurance agent will be obliged to purchase the vehicle. Major damage shall mean repair or replacement of any internal panels (excluding minor brackets, gusset, rear panels and front panels) and/or sill panels. Any damage noted at de-fleet stage which exceeds £1,000, Cocoon Vehicles reserves the right to insist the Hirer purchases the vehicle within 10 days. Damage resulting in a VCAR condition alert being placed against the vehicle may also result in the Hirer having to purchase this vehicle; this will be at Cocoon Vehicles' discretion.

We reserve the right to charge a £100 plus VAT administration charge for raising any end of contract invoices.

Body Damage

It is your responsibility to manage Vehicle damage as and when it occurs. If the Vehicle is returned with unrepaired damage you will be charged. Vehicle damage includes items such as damage to the alloy wheels, tyre rips, bodywork scuffs/scratches/dents, windscreen chips/cracks, stains/tears/rips on the upholstery, scratches to interior trim, etc.

Smoking is prohibited in our vehicles. If it is necessary to remove the smell of smoke from the Vehicle we will consider that to be damage and charge accordingly. Minimum charge of £125.00 + VAT may be levied.

We accept that clients may transport pets within the vehicle, however please ensure the vehicle is returned free of animal odour or hair/fur. If it is necessary to remove the smell of pet or hair/fur from the Vehicle we will consider that to be damage and charge accordingly.

We strongly recommend that you only use manufacturer approved repair centres to carry out any repairs to your Vehicle. You should retain the invoice for such work as proof that it has been carried out by a manufacturer approved repair centre.

If the Vehicle is not repaired to an acceptable standard then, on the return of the Vehicle, we will invoice you for the cost of carrying out such further work as is necessary to return the Vehicle to the appropriate standard. However, if the Vehicle has been repaired at a manufacturer approved centre, they will provide warranties and, under the Consumer Rights Act 2015, will be responsible for rectifying any poor-quality work. It will be necessary for you to provide us with the original invoice for the repairs so that we can require any poor-quality work to be rectified. Rental whilst the vehicle is being rectified will be applicable.

If your Vehicle becomes damaged and would like some advice regarding how to repair it either call Cocoon Vehicles Ltd on 01332 290173 or speak with your insurance company.

Dents

A maximum of one dents per panel will be accepted providing they are smaller than 10mm in diameter. If the number of dents exceeds one per panel, are greater than 10mm in diameter or have broken the paint is deemed as unacceptable. Any dent, irrespective of size, on a swage line will be deemed as unacceptable and any remedial work carried out will be chargeable to the Hirer.

Paintwork

Chipping to forward facing surface may be acceptable, notably to the bonnet, grille, valance and front wing, providing they do not exceed 5% of the total area of the affected panel and have not chipped through to the base metal. If stone chipping has penetrated through to the base metal, suitable touching up should be carried out immediately to prevent further paint deterioration. Surface scratching is acceptable on any panel if it has not broken the paint and can be removed by a light machine polishing, although Cocoon Vehicles reserves the right to charge. All previous repairs must be suitably re-rust proofed up to the manufacturer's recommended standards with no colour miss-match between panels, preparation marks, paint contamination, paint overspray, paint running or poorly fitted panels.

Bumper Sections and/or Rubbing Strips

These may not be broken, cracked or deformed. Gouging, multiple chips or cracks, no matter how small, in the bumper material are outside the bounds of fair wear and tear and are not acceptable.

Window Glass and/or Windscreens

Cracks or damage within the driver's sight line (Zone A) are not acceptable and would require a windscreen replacement and, where applicable, calibration. Minor chips elsewhere on the windscreen that are less than 5mm may be repaired using resin impregnation to MOT standards providing there are no signs of crack formation. All remaining glass should be free from any damage. All heating elements should be working correctly. Missing, cracked or damaged door mirrors are not acceptable. If these are heated or adjustable, these must be working correctly.

Lamp Glasses/Lens

All lamps must be operational. Any holes, cracks and chips in the glass or plastic covers of lamp units are not deemed acceptable.

Interior Trim

The interior should be clean and tidy, with no burns, tears or permanent staining on the seats. Heavy staining will result in a specialist cleaning charge. Wear and soiling through normal use is acceptable, providing that floor protection mats have been used. Gouges or scratching to interior trims are not acceptable. Any missing or broken trim is not acceptable.

Luggage Area

Light blemishes that reflect normal use are acceptable, however floor covering and surrounding trim panels should not be torn, split, stained, gouged or have scuffing that detracts the overall appearance.

Door Aperture Tread Area

A minor amount of scuffing to the door, luggage treads and sills is acceptable providing that paintwork has not broken or corroded and aperture seals are not torn.

Controls

All original controls must be intact and operate correctly. If a replacement has been necessary eg. due to theft, then the original manufacturer's equipment must be fitted.

Rubber Seals

Normal wear will cause certain amount of damage to the door or other trims, any evidence of neglect or abuse is unacceptable. Tears are also unacceptable.

Wheels and Wheel Trims

Steel Wheels: Steel rim damage is acceptable up to 15mm confined to the outer edge only, providing there is no distortion or cracking. Greater degrees of damage or multiplicity of minor damage in a single trim should be assessed on merit, using the tyre bead seating as the most important consideration.

Alloy Wheels: No damage to alloy wheels is acceptable. Should the damaged alloy wheel be refurbished/re-machined and it does not meet the required manufacturers standards, then a full alloy refurbishment and/or recharging will be recharged. Should the alloy be past the point of refurbishment, then a charge for a new alloy wheel plus fitting will be charged.

Tyre Wear and Damage

All tyres including the spare must be in a legal condition and comply with the vehicles manufacturer's recommendations of tyre type, size and speed rating and should have a minimum depth of 3.0mm across the full width of the tyre. Eg. No uneven wear. There should be no damage to the sidewalls or tread caused by kerbing or any other abuse. All tyres should be of the same type, manufacturer and speed rating. Re-moulds and budget brand replacements are not acceptable.

Underside damage

Any damage to the vehicle's underside is not acceptable. Cocoon Vehicles reserves the right to re-inspect vehicles after collection at the de-fleet centre and check within 30 days for underside damage. Any underside damage found within the timescale will be chargeable.

Exhaust system

The system should be properly suspended and in efficient working order, with no leaks or evidence of blowing from the exhaust systems joints and in an undamaged condition. The exhaust should be in a condition to meet the MOT requirements in all aspects, particularly if fitted with a catalytic converter.

Oil Leaks

Any serious oil leaks must be rectified at the earliest opportunity. Some minor oil misting or dampness around seals or gaskets is acceptable, providing oil dips are not present. It is the Hirer's duty to ensure that oil levels are kept at the required levels.

Brakes

Grooved brake discs caused by metal-to-metal contact or premature failure due to incorrect driving techniques are not acceptable.

Engine and transmission

Premature failure due to insufficient and incorrect lubricants oils is not acceptable. Excessive engine and/or transmission (including Clutch) wear due to driver abuse or mishandling is not acceptable.

Estimates

Any vehicle requiring a de-fleet invoice may be subject to an administration charge of £100.00 plus VAT (£120.00 inclusive) at Cocoon Vehicles discretion. For any vehicle with damage estimated in excess of £1,000 then Cocoon Vehicles reserves the right to insist that the Hirer purchases the vehicle within 10 days. The vehicle may also be subject to rental charges as laid out in the Master Hire Agreement.

Valeting

All vehicles must be valeted in readiness for return to Cocoon Vehicles or for a collection agent to assess the vehicles. Should the vehicle not be cleaned prior to collection, the collection agent may insist on the car being cleaned, alternatively the vehicle will be assessed at the specified de-feet centre along with the comprehensive manufacturers report. Cocoon Vehicles reserves the right to charge at least £75.00 plus VAT (£90.00 inclusive) for a valet.

Servicing and Documentation

Unless specifically agreed in writing by Cocoon Vehicles and/or connected suppliers, regular maintenance should be carried out at a manufacturer's franchised dealer according to the manufacturer's guidelines using genuine manufacturers parts. Proof of purchase is required and must be placed in the service book along with the service book being stamped. Any defects of damage that occurs during normal vehicle use should be rectified as soon as authority of repairs has been granted. All vehicle handbooks and fully stamped service records including the service invoice must be in the vehicle at the point of collection or charges may be applied. Missing proof of services, missed service or late services are chargeable at the cost of the manufacturer main dealer plus the cost to reinstate the vehicle's warranty or to compensate for the loss of residual value as the result of not being serviced as details above. The minimum charge will be £500 plus VAT (£600 inclusive) If the vehicle also requires additional work carried out to reinstate the warranty this will also be chargeable.

Service Intervals

It is the Hirers responsibility to ensure service intervals as recommended by the manufacturer is known. It is the Hirers responsibility to service the vehicle should the required interval be reached. Should a service light appear before the end of the term, it is the Hirers responsibility to have the vehicle serviced in accordance with the above prior to return.

When a service or other maintenance is required, please contact Cocoon Vehicles Ltd and we can advise and approve the process to follow and where to take your vehicle.

If you're driving a high-performance vehicle, please be aware that some manufacturers require a "run in service." Failure to have this carried out may incur costs which you will be liable to pay.

Additional Equipment

No additional equipment should be fitted to the vehicle unless written permission is received from Cocoon Vehicles. Any damage caused by the fitting of additional equipment must be refurbished to an acceptable standard, or the cost of rectification including de-installation, will be chargeable.

Ancillary Items

Aerials must be left in place or any holes professionally repaired. All standard equipment must be returned at the end of the contract period. This includes book packs, service packs, cigarette lighters, luggage trolleys, removable seating, audio equipment, satellite navigation SD Cards/Discs, parcel shelf, luggage nets, audio cables and any other item delivered with this vehicle. Any item deemed missing,

damaged or non-functional at the point of inspection or once the vehicle has been returned, will be chargeable and at the discretion of Cocoon Vehicles an administration charge applied. The hirer may not be able to return these items to obtain a credit.

Personal Items

All personal items must be removed from the vehicle before collection. Any personal items left in the vehicle may be disposed of and will not be the responsibility of Cocoon Vehicles Ltd. Where items have been left in the vehicle and can be returned an administration charge plus carriage costs will be charged to the customer at the end of contract stage.

Badges and Labels

Non-standard badges, labels or advertising fitted to the bodywork or glass of the vehicle must be removed. Any damage caused by the attachment or removal should be professionally repaired or may be chargeable.

Keys and Security

You will only be usually supplied with 1 key with your vehicle, this is due to the nature of the business. Should a spare key be supplied this must be returned as per the instructions of our administration staff during the contract or at the point of return. Keys should be made available along with the locking wheel nut. If the locking system is remote, the appropriate key fobs must be available and functioning. Return of the master key, which controls the vehicles engine management system, is mandatory. Keys must be made available upon collection or a new security management system will be fitted at the Hirer's expense.

Excess Mileage

Excess mileage charges, as laid out on your rental agreement, will be chargeable if you exceed the agreed mileage parameters. If you exceed your mileage by 10% you are contractually obliged to purchase the vehicle.

For flexible contracts, mileages will be worked out on a pro-rata basis based on the time in the vehicle. Example. 1,000 Miles per month and the vehicle is out for 94 days will give you an 32.88 miles per day and a total of 3090 miles allowance.

This is calculated as follows:

$$\text{Monthly Mileage} \times 12 \text{ Months} \div 365 \text{ days} \times \text{Days on Hire}$$

I ACCEPT THE RETURN STANDARDS AND CONDITIONS AS SET OUT ABOVE

Signature:

Signed by **Customer** _____

Print Name. _____

Date: _____

Company Name (If applicable): _____

Position in Company (if applicable): _____

Cocoon Vehicle Signature:

Signed by **Cocoon Vehicles Ltd**

Print Name.

Position:

Date:

FORM OF INDEMNITY

This letter is supplemental to the rental agreement between Cocoon Vehicles Limited and ("the Customer") for the supply of hire vehicles. By signing below and in consideration of Cocoon Vehicles Limited continuing to supply hire vehicles pursuant to the rental agreement for use by the Customer, the Customer agrees to the following terms:

1. To ensure that only individuals authorised by the Customer take possession of the hire vehicle and sign all documents pertaining to that particular hire.

2. To be held accountable for any and all damage done to the hire vehicle once an authorised individual has taken possession of the hire vehicle.

3. To provide fully comprehensive insurance cover on the hire vehicle from the time that it is signed for (even if hire charges begin at a later date) and until it is collected.

4. To guarantee that all individuals authorised by the Customer driving the hire vehicle hold a valid driving licence and to be responsible (in the case of failure to make payment by the authorised individual) for all Road Traffic Offences, including parking tickets, speeding offences, bus lane violations and congestion charges, together with any administrative charge applied by Cocoon Vehicles Limited as provided in the Terms and Conditions.

5. To report all claims to the Customer's insurance company (or insurance department if the Customer is self-insured) and to pay the respective excess to Cocoon Vehicles Limited directly for each incident. Cocoon Vehicles will arrange for repair of the hire vehicle.

If there is a material change in the circumstances of the policy the Customer will advise Cocoon Vehicles Limited immediately. If the Customer fails to advise Cocoon Vehicles Limited of any changes to its policy, it will fully indemnify Cocoon Vehicles Limited under the terms of this letter of agreement.

We also undertake to be held liable and indemnify Cocoon Vehicles Limited against all loss (including loss resulting from Cocoon Vehicles Limited's inability to use or rent the vehicle), injury and damage howsoever caused resulting from the destruction, loss or theft of or damage to the hire vehicle sustained by any driver or third party regardless of fault.

Name of Company:

Address:
.....
.....

Tel No:

Company Reg No:

VAT No:

Signature:..... Position:.....

Name in full: Date:

(Please provide a copy of current Certificate of Insurance)