



Tusker Lifestyle Protections Guide for Employers

V6 August 2023

Tusker.
The Green Car Scheme

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Protections against the unexpected

We know unexpected things can happen, which is why our comprehensive Lifestyle Protection provides a great solution for you as the employer, should an employee need to hand their car back early.

As long as the termination occurs after the Exclusion Period, our protection will mitigate any termination charges that would otherwise be your responsibility as the employer. We want to ensure that your risks are reduced considerably, and our protections are designed to do just that.

This document provides the terms and conditions of our Lifestyle Protection, along with the process to follow should you need to use them.

We reserve the right to amend or update the protection details at any time, in which case we will inform you in writing of any changes.

Understanding the Definitions

Adoption Date

The date when a child is placed with the employee under the adoption.

Adoption Matching Certificate

The certificate received by the employee from the adoption agency confirming the Adoption Date.

Agreed Mileage

The anticipated annual mileage as detailed in the relevant Contract Hire Schedule.

Commencement Date

The contract start date, which is the date that the employee first takes delivery of the car.

Contract Hire Schedule

The individual vehicle agreement between the employer and Tusker. If a Contract Hire Schedule is re-written for any reason, for example to update the annual mileage, the amended schedule will replace the original and will not constitute a new Contract Hire Schedule.

Contract of Employment

A permanent contract issued by you, the employer, to the employee.

Disablement

The diagnosis and confirmation from a suitably qualified medical practitioner at the onset or occurrence of a physical or mental impairment that:

- The employee is suffering from such impairment which, in the opinion of the practitioner, will prevent the employee from being able to perform their work duties in a satisfactory manner for at least six months; or
- The spouse or domestic partner of the employee is suffering from such impairment which, in the opinion of the practitioner, will result in the affected person needing constant care for at least six months, which care the employee agrees to provide and as which will therefore prevent the employee from performing their work duties in a satisfactory manner.

Domestic Partner

A domestic partnership means any two adults that are in a relationship together and have been living at the same address for six months or more. A domestic partner is an adult in such a domestic partnership.

Due Date

The due date for your employee's child as detailed on the MAT B1 form.

Early Termination Charge

A charge which is due for ending an agreement early as agreed within the Master Contract Hire Agreement.

Employee Request Date

The date the employee submits their request for a car and agrees to the terms of the salary sacrifice agreement.

Excess Mileage Charge

The charge for exceeding the agreed mileage highlighted in the Contract Hire Schedule and assessed at the rate chargeable for the proportional mileage at the Return Date.

Exclusion Period

The period in which the Lifestyle Protection is not valid.

Group Company

The employer and any company that is either the employer's parent company or subsidiary of the employer's parent company (and "parent company" and "subsidiary" have the meanings given in section 1159 of the Companies Act 2006).

Lifestyle Protection Declaration Form

The form set out in the appendix to this document to be completed when an employer would like to utilise one of the protections.

Main Driver

Your employee who has agreed to the salary sacrifice agreement.



Mental Illness

The diagnosis and confirmation from a suitably qualified psychiatrist at the onset of a well-known and documented mental condition:

- That the employee is suffering from such condition which, in the opinion of the psychiatrist, will prevent the employee from being able to perform their work duties in a satisfactory manner for at least six months, or;
- That the spouse or domestic partner of the employee is suffering from such condition which, in the opinion of the psychiatrist, will result in the affected person requiring constant care for at least six months, which care the employee has agreed to provide and which will therefore prevent the employee from performing their work duties in a satisfactory manner.

Notification Date

The date that the employee first formally notifies, or is notified of, an event or occurrence that is expected to be protected by the Lifestyle Protection. For the avoidance of doubt this means:

- In the event of Resignation, the date the employee notifies their employer of their intention to terminate their Contract of Employment; or
- In the event of Redundancy, the date the employee is first notified by their employer that they have been, or may be selected or at risk of Redundancy. It is not the date of actual termination of their Contract of Employment if it occurs at a later date.

Redundant/Redundancy

The formal notification of dismissal from employment of the employee because the job or the employee has been deemed no longer necessary in accordance with the law applicable at the time.

Relocation/Relocated

The transfer of the Employee’s place of employment by the Employer to a place outside the Territorial Limits.

Resign/Resigning/Resignation

The voluntary formal notification by the employee to permanently end employment with their employer under the terms of the Contract of Employment.

Retire/Retirement

The formal notification to cease work and permanently end employment with their employer under the terms of the Contract of Employment.

Return Date

Either the date when the vehicle is returned to Tusker, or the date the motor insurer’s settlement offer is accepted by Tusker in the event of a total loss claim.

Sick Leave Commencement Date

The date the employee starts their long-term sick leave.

Terminal Illness

The diagnosis and confirmation from a suitably qualified medical practitioner at the onset or occurrence of a condition:

- That the employee is suffering from such condition which in the practitioner’s opinion will end in the premature death of the employee within twelve months and which prevents that person from being able to perform their work duties; or
- That the spouse or domestic partner of the employee is suffering from such conditions which, in the opinion of a qualified medical practitioner, will end in their premature death within twelve months and will require constant care for a period of at least six months. This is care the employee agreed to provide and which will therefore prevent the employee from performing their work duties.

Territorial Limits

Great Britain, Northern Ireland, the Isle of Man and the Channel Islands.

TUPE

The Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246), which ensures that employees’ terms and conditions of employment are preserved when a business or undertaking is transferred to a new employer.



Types of Lifestyle Protections

Coverage	Protection for the Employee	Protection for the Employer	Exclusion period	Within exclusion period - Early termination payable by	After exclusion period - Early termination payable by
Resignation	✓	✓	3 months from the Commencement Date	Employer liable but can recharge to employee	Tusker covers termination charge
Redundancy	✓	✓			
Retirement	✓	✓			
Relocation	✓	✓			
TUPE	✓	✓			
Maternity, Paternity, Shared Paternal Leave & Adoption	✓	✓	3 months between Employee Request Date and Due Date/ Adoption Matching Date	Employer liable but can recharge to employee	Tusker covers termination charge
Long term Sickness	✓	✓	3 months between Employee Request Date and Sick Leave Commencement Date		
Loss of Licence (Medical grounds), Death in Service, Terminal Illness, Disablement or Mental Illness, Loss of Sight or a Limb	✓	✓	No exclusion period	Tusker covers termination charge	Tusker covers termination charge
Loss of Licence (driving convictions), Reduction in working hours, Career Breaks, Dismissal	x	✓	3 months between the Commencement Date and date employees circumstances change	Employer liable but can recharge to employee	No charge to employer providing proof of attempts to collect charge from employee is provided
Handing car back early	x	x	n/a	Employer liable but can recharge to employee	

How the Early Termination Charge is calculated

In the event the Early termination is not protected, termination charges can be easily calculated based on the sliding scale shown below.

Number of Months Remaining on the Agreement	Number of Gross Reductions	
1	1	NO Early Termination Charge for Resignation, Redundancy, Retirement, Relocation or TUPE after 3 months
2-11	2	
12-17	3	
18-23	4	
24-29	5	
30+	6	

Should an employee incur an Early Termination Charge, this will be invoiced by Tusker to you as the employer to recharge onto the employee. Typically, employers collect this through an employee's final net salary, or they request payment in full where insufficient funds are available from salary.

Resignation, Redundancy, Retirement, Relocation and TUPE

If an employee Resigns, is made Redundant, Retires, is Relocated or is transferred to a new employer after a 3 month Exclusion Period, they can hand back the vehicle with no Early Termination Charge due. To process the termination, the following documentation must be sent to Tusker within one calendar month of the Return Date:

- Lifestyle Protection Declaration Form completed and signed on behalf of the employee and employer
- Early termination letter signed by the employer

If an employee Resigns, is made Redundant, Retires, is Relocated or is transferred to a new employer during the Exclusion Period the full Early Termination Charge will apply. As the employer, this amount will be invoiced to you to recharge onto the employee.

Tusker is not able to credit the Early Termination Charge if one of the following events occurs during the Exclusion Period:

- At the Commencement Date, the employer or the employee were aware that the employee was going to Resign, be made Redundant, or was either planning to Retire, be Relocated or to be transferred to a new employer
- The Notification Date of the Resignation occurs within the Exclusion Period

Maternity, Paternity, Shared Parental and Adoption Leave

Most employers feel that they need to provide the benefit during periods of maternity, paternity, adoption and shared parental leave.

Whilst the employee's pay is enhanced, salary sacrifice reductions can continue, but once the employee's pay reaches statutory level, you (the employer) will be unable to make any further reductions.

You will continue to receive monthly invoices from Tusker and these will need to be paid in line with the agreed payment terms. On the employee's return to work or Resignation following their period of maternity, paternity, adoption or shared parental leave, the monthly gross salary sacrifice will be credited to you for a maximum of 12 months and up to £500 a month.

You must provide the following documentation within one calendar month of the employee returning to work or of notifying you that they wish to terminate their agreement:

1. Lifestyle Protection Declaration Form to be completed by the employer
2. Copy of the MAT B1 or Adoption Matching Certificate (whichever is applicable)

Within 72 hours of receiving the necessary notification, Tusker will calculate the reimbursement amount. If the employee Resigns at the end of their leave please refer to the Resignation, Redundancy, Retirement and TUPE process. **Reimbursement will only be made for one period of maternity, paternity, shared parental or adoption leave during the term of the Salary Sacrifice Agreement.**

Within the 3 month Exclusion Period

The Order Date and the Due Date on the employee's MAT B1 or the Adoption Matching Certificate must be greater than 3 months in order for the protection to apply.

Long-Term Sickness

We protect you as an employer against the potential shortfall should an employee go on long-term sick leave.

Whilst the employee's pay is enhanced, salary sacrifice reductions can continue, but once the employee's pay reaches statutory level, you (the employer) will be unable to make any further reductions.

You will continue to receive monthly invoices from Tusker and these will need to be paid in line with the agreed payment terms. On the employee's return to work following their period of long-term sick leave, the monthly gross salary sacrifice will be credited to you for a maximum of 6 months and up to £500 a month.

Alternatively, if the employee has had the car for more than 18 months and is not able to return to work, but is not Resigning from their employment, you can choose to return the car at no cost instead of requesting a reimbursement from Tusker.

The protection is valid from the Sick Leave Commencement Date until the date the employee resumes employment or leaves their employment.

You must provide the following documentation within one calendar month of the employee returning to work or of notifying you that they wish to terminate their agreement:

1. Lifestyle Protection Declaration Form to be completed by the employer
2. A copy of the 'fit note' or proof of sickness (redacted as necessary)

Reimbursement will only be made for one period of long-term sick leave during the term of the Salary Sacrifice Agreement.

Within the 3 month Exclusion Period

The Commencement Date and the Sick Leave Commencement Date must be greater than 3 months in order for the protection to apply.



Ill Health and other Life Events

Both you and your employees will be protected as standard should any of the following unfortunate events occur:

- The death of the employee or their Domestic Partner
- The employee or their Domestic Partner suffering from a Terminal Illness
- The employee or their Domestic Partner suffering disablement or mental illness
- The employee or their Domestic Partner losing their sight
- The employee or their Domestic Partner suffering physical separation of one or more limbs at or above the wrist or ankle
- The employee or their Domestic Partners driving licence being withdrawn by the issuing authority for medical reasons

The following documentation needs to be provided to us within 1 calendar month of the employee returning to work, or the vehicle Return Date:

- Lifestyle Protection Declaration Form to be completed by the employer
- A copy of the relevant or official documentation as evidence of the event occurring. Examples would be a letter from the doctor or psychiatrist, a death certificate etc.



Dismissal, Loss of Licence (driving convictions), Reduction in Working Hours and Career Breaks

Under the terms and conditions of the scheme, the employee agrees to meet all associated costs. If their circumstances change due to reasons within their control, they will be liable to pay an Early Termination Charge to return the vehicle early.

In circumstances where the employee is still in your employment, you can either raise and send an invoice for the shortfall to your employee or agree a payment plan with the employee to recover the Early Termination Charge.

In circumstances where the employee is leaving their employment, this charge can be recovered from the employee by deducting it from their final net salary, or requesting payment in full where insufficient funds are available from their salary. If you are unable to recover either part or the full Early Termination Charge from the employee's final salary, you must raise and send an invoice for the shortfall to the employee by email and signed for post.

If after pursuing the employee the shortfall has still not been paid, a copy of the invoice, any emails and letters sent to the employee (along with the proof of postage), and debt collection and court correspondence must be provided to Tusker

As long as you have demonstrated that you have taken all reasonable measures to recover the money owed from the employee directly, the Early Termination Charge will be credited.

Where you have demonstrated that you have taken all reasonable measures (as detailed above) to recover the money owed from the employee directly:

- For any amounts owed over £3,000, you (the employer) must submit a court claim or employ a debt collection agency to recover the funds.
- For any amounts over £3,000, if the debt collector or small claims court are not successful, the Early Termination Charge will be credited.

Please note, if an employee loses their licence due to driving conviction, instead of returning the car, it is possible for the employee to be excluded from the motor insurance policy and their additional drivers will still be able to use the car. This must be formally agreed with Tusker and the motor insurance provider.



What's not included?

Affordability

Early termination due to a driver's affordability is excluded, as is early termination due to an employee changing their mind about their vehicle choice unless the reason for this is one of the medical reasons mentioned within the protection for ill health and other life events section.

Change of role within the employer

If an employee changes their role within the same employer, with the result that their eligibility is affected or they wish to terminate their salary sacrifice agreement early, it will not be included within the Lifestyle Protection.

Change of employment within group

If an employee ceases to be employed by the employer, but the employee is employed by or works for a Group Company, the Lifestyle Protection will not apply.

National Minimum Wage/National Living Wage

If an agreement needs to be terminated early because of the employee's salary falling below the applicable National Minimum Wage/ National Living Wage, it will not be included within the Lifestyle Protection. It is the employer's responsibility to ensure this does not happen.

Vehicle Issues

The Lifestyle Protection is not valid if an employee is experiencing maintenance issues with their vehicle or finds that they aren't achieving the expectations they had for the vehicle, e.g. mpg, and wishes to terminate early. Tusker will happily arrange for a relevant dealer, garage or manufacturer to look at the vehicle and arrange appropriate measures to provide peace of mind to the employee. If peace of mind or a reasonable resolution can't be reached, the available options can be discussed with your Account Manager.

Other exclusions

- Any excluded circumstance which is known or reasonably expected to be known by the employee or employer at the Commencement Date of each vehicle agreement
- An employee leaving their employment following a dismissal from their employer
- Any period for which the employee is in receipt of payment in lieu of notice
- Any excess or contributions required by the motor insurer following a valid claim under the motor insurance policy
- The employee's employment ceasing or changing as a result of their driving licence being withdrawn for reasons other than medical reasons
- Illness of an immediate family member, which results in reduced working hours for the employee

Returning the Car to Tusker

We ask that vehicles are returned to us before the employee's last day in your employment. It should be returned in a good condition and free from damage as outlined in the BVRLA Fair Wear and Tear Guide. Any damage in excess of the criteria will be re-charged to you, the employer, who will then be responsible for recovering the amount from your employee.

It is also important that all keys (including any master keys and locking wheel nut keys), remote devices and the service book, where applicable, are returned with the vehicle otherwise there may be a charge which can differ for each vehicle. This is due to the reduction in value on the sale of a vehicle. Any missing items will be charged in accordance with our estimate of the loss on resale suffered.

If an employee leaves the company without returning the car, Tusker will need to start proceedings to recover the vehicle. This may mean that we need to appoint a company to locate the vehicle who will complete a full vehicle damage inspection and recover it back to Tusker at a cost to the employer. Alternatively, the vehicle may need to be reported as stolen by the employer. Every effort needs to be made to obtain vehicle keys as failure to do so will delay the vehicle inspection and recovery, incurring further costs which will be payable by the employer. Once an employee leaves the company, they will no longer be insured to drive the vehicle.

The vehicle rental will continue to be charged to and will be payable by the employer until the vehicle is returned to or recovered by

Eligibility and associated costs

As the employer you will need to comply with the following conditions to be eligible for Lifestyle Protection, otherwise the protection could become null and void:

1. Written notice of the facts on which a notification is based must be given to Tusker prior to the collection of the vehicle being arranged
2. You must take all reasonable steps to safeguard the vehicle until its collection
3. You must follow the notification procedure set out in this document and adhere to the timescales provided.

When terminating a Contract Hire Schedule early it is important to be aware of any associated costs which wouldn't be included within the lifestyle protection:

- Excess mileage charges
- Reconditioning costs if the vehicle is not in the appropriate condition
- Any unpaid rentals due under the terms of the agreement up to the date of termination
- Any arrears that haven't been matched by an appropriate reduction in the employee's salary



Processes and Timelines

Once you, the employer, has been notified that an employee wishes to terminate their salary sacrifice agreement, you'll need to follow the procedure outlined below. It is important that the process and timelines are maintained to ensure the employee's vehicle is recovered back to Tusker before the employee has left your employment.

If Tusker needs to collect the vehicle after an employee has left employment, any associated costs incurred to recover the vehicle will be invoiced to the employer.

- 1.** Employee and employer to complete the Lifestyle Protection Declaration Form and return to Tusker by email at earlyterminations@tuskerdirect.com.
- 2.** Within 48 hours of receiving the completed Lifestyle Protection Declaration Form, Tusker calculates and emails the Early Termination Charge to the employee (where necessary) and the employer. It is important to be aware that Tusker is only able to bill a full month's rental and are unable to give reimbursement for unused days.
- 3.** If the employee/employer wishes to proceed with terminating the agreement, Tusker require confirmation before the specified date (usually within five working days).
- 4.** Tusker raises an early termination letter for the employer to sign.
- 5.** Employer signs and returns the early termination letter within 48 hours so Tusker can arrange the collection of the vehicle with the employee.

The Early Termination Charge shall be payable in line with the agreed payment terms, until Tusker has received proof, to our satisfaction, of the termination and the reason behind it. We reserve the right to request additional proof regarding the reason for termination. Proof does not need to be supplied upon your initial notification to us, but must be supplied within one calendar month of the Return Date.

- Resignation - Lifestyle Protection Declaration Form signed by employer and employee
- Redundancy – Lifestyle Protection Declaration Form signed by employer and employee
- Retirement - Lifestyle Protection Declaration Form signed by employer and employee
- Relocation - Lifestyle Protection Declaration Form signed by employer and employee
- TUPE - Lifestyle Protection Declaration Form signed by employer and employee
- Loss of driving licence on medical grounds - DVLA/DVLNI & Doctors' correspondence
- Death - Certified copy of a death certificate
- Disablement, ill health, loss of sight, loss of limb, terminal illness - Doctors' correspondence

If the required information and documents are provided within one month of the Return Date and the Lifestyle Protection applies, Tusker will credit the cost of the Early Termination Charge. If the vehicle is not returned on the expected Return Date, Tusker may need to recalculate the Early Termination Charge.

THIS MUST BE WITHIN FIVE WORKING DAYS OF THE EMPLOYEE LEAVING THEIR CURRENT EMPLOYMENT



Any questions?

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