

THIS EMPLOYEE AGREEMENT IS MADE BETWEEN:

PARTIES

LA TROBE UNIVERSITY of Bundoora (“**The University**”)

And

of ## (“**The Employee**”)

RECITALS

- A.** Pursuant to a long term hire agreement (“the Hire Agreement”), a copy of which is attached to this Employee Agreement as Annexure A, the University is the lessee of a motor vehicle from Lease Plan Australia Ltd (“Lease Plan”).
- B.** The University has granted the Employee non-exclusive use of the Vehicle on the basis of this Employee Agreement.

THE UNIVERSITY AND THE EMPLOYEE AGREE AS FOLLOWS:

1. This Employee Agreement shall commence on the ... /.../... and shall continue until the scheduled expiry of the Vehicle lease under the Hire Agreement (“the Usage Period”) or as otherwise determined in accordance with this Agreement.
2. The Employee acknowledges that the University has obtained the Vehicle pursuant to the Hire Agreement with Lease Plan for the non-exclusive use by the Employee during the Usage Period.
3. In recognition for the non-exclusive use of the Vehicle, the Employee agrees to sacrifice from salary all costs associated with the Vehicle (including costs recoverable under this Employee Agreement by the University from the Employee) and that the University can deduct those costs from the Employee’s salary for the term of the Usage Period. Without limitation, the costs which may be deducted from the Employee’s salary include administration fees payable by the University to Lease Plan and any stamp duty and goods and services tax payable in respect of the lease of the Vehicle under the Hire Agreement. An indicative guide as to the Employee’s sacrifice from salary is provided as Schedule 1 to this Employee Agreement.
4. It is acknowledged by the Employee that the University may make the Vehicle available for use by the Employee. Where the Employee’s private use of the Vehicle (as defined by the Fringe Benefits Tax Assessment Act 1986) causes a fringe benefits tax liability to arise to the University then an amount equal to this liability will also be deducted from the Employee’s salary (as incorporated into the details provided in Schedule 1).

5. Subject to the advice of one party to the other as contemplated by this Employee Agreement, this Employee Agreement will be terminated upon the first to occur of the following:
 - (a) the expiration of the Usage Period, or
 - (b) the termination of the Employee's employment or the Employee being on temporary leave of absence (as contemplated by clause 8.1 of the Hire Agreement), or
 - (c) mutual agreement between both parties to this Employee Agreement.
6. The Employee undertakes that he or she is responsible for fully complying with all provisions of the Hire Agreement which impose direct or indirect obligations on the University in relation to the Vehicle or the leasing of the Vehicle as if those provisions were set out in full in this Employee Agreement. The Employee, both during and after his or her employment with the University, indemnifies and agrees to keep indemnified the University in respect of any loss, costs, claims or expenses incurred by the University as a result of the failure by the Employee to observe its obligations under this Employee Agreement (including obligations imposed on the University under the Hire Agreement).
7. The Employee agrees to adhere to the University's policies relating to the leasing of vehicles from Lease Plan as varied from time to time and acknowledges receipt with this Employee Agreement of a copy of the current such policy.
8. The Employee agrees not to dispose of or otherwise encumber the Vehicle.
9. The Employee is required to seek independent financial advice before entering into this Employee Agreement and the Employee acknowledges that by signing this Employee Agreement he or she has in fact sought independent financial advice prior to entering into this Employee Agreement and has not relied on any representations (express or implied) from the University or Lease Plan in making its decision to enter into this Employee Agreement.
10. The Employee acknowledges that he or she must currently be a licensed driver and will continue to be so during the Usage Period and will be required to provide details of his or her driver's licence to the University when requested to do so by the University from time to time.
11. The Employee agrees to ensure that the Vehicle is be driven only by a licensed driver at all times.
12. The Employee and all other licensed drivers of the Vehicle who are authorised by the Employee or the University agree to adhere to all traffic laws and regulations and drive in a safe and courteous manner when using the Vehicle.
13. If the Employee loses his or her licence during the Usage Period, all financial liability associated with the loss of the licence and the remainder of the term of the Vehicle lease under the Hire Agreement is to be met fully by the Employee as part of his or her obligations under this Employee Agreement.

14. The Employee acknowledges that he or she is responsible for all fines for the infringement of traffic tolls, laws and regulations which are associated with the use of the Vehicle.
15. The Employee acknowledges being responsible for the internal and external cleanliness of the Vehicle at all times and he or she must ensure that the Vehicle is kept and maintained in good working order and repair throughout the Usage Period and otherwise in accordance with the obligations of the University under the Hire Agreement.
16. Every accident involving the Vehicle that the Employee or any other driver may have must be reported by the Employee to the University and Lease Plan. In the event that any loss, costs or other damage incurred following such an accident are not able to be recovered by insurance or the relevant maintenance provisions of the Hire Agreement in respect of the Vehicle, then the Employee shall be fully responsible for the cost of all necessary repairs to the Vehicle and any other damaged property.
17. The Employee must not, under any circumstances, authorise any repairs to be carried out on the Vehicle as a result of an accident (whether the accident is covered by insurance or not) without first obtaining the written approval from the University and Lease Plan.
18. The Employee is responsible for the provision of accurate odometer readings for the purpose of calculating any fringe benefits tax liabilities in respect of the Employee's use of the Vehicle. The University will not be responsible for incorrect or false advice from the Employee in relation to odometer readings, and the Employee will indemnify and keep indemnified the University against all expenses and liabilities that may arise from such advice.
19. The grant by the University to the Employee of the use of the Vehicle will be at no cost to the University. Without limiting the effect of this clause, where the University is required to pay Lease Plan any amount under the Hire Agreement in respect of the Vehicle, the Employee is required to reimburse the University any such amount (if not already made pursuant to the salary sacrifice mechanism contained in clause 3 of this Employee Agreement). Furthermore, where the University cannot offset the costs of any tax or future tax which arise pursuant to the arrangements contemplated by this Employee Agreement, then the Employee will be required to pay that tax or any future changes to tax which may apply from time to time.
20. At the completion of each fringe benefits tax year, the actual fringe benefits tax liability for the vehicle will be calculated and paid by the University to the Australian Taxation Office. This liability will be compared to the estimated fringe benefits tax liability deducted from the Employee's salary throughout that year. If actual fringe benefits tax costs are greater than the estimated cost the difference will be deducted from the Employee's salary pursuant to clause 3. If the actual costs are less than the estimated costs, the difference will be refunded to the Employee via payroll.
21. Where this Employee Agreement is terminated on the expiration of the Usage Period:
 - (a) the Employee will indemnify the University in respect of any amounts it is required to pay Lease Plan under clause 7 of the Hire Agreement; and
 - (b) the University will refund to the Employee any amount it receives from Lease Plan under clause 7 of the Hire Agreement as soon as practicable after it receives any such amount.

22. Where this Employee Agreement is terminated under either clause 5(b) or 5(c):
- (a) the Employee will indemnify and keep indemnified the University in respect of any amount it is required to pay Lease Plan under clause 8 of the Hire Agreement; and
 - (b) the University will refund to the Employee any amount it receives from Lease Plan under clause 8 of the Hire Agreement as soon as practicable after it receives any such amount.
23. Where this Employee Agreement is terminated in accordance with clause 5(b), the Employee agrees that any amounts outstanding to the University on monthly payments, the Vehicle's operating costs, any anticipated outstanding fringe benefits tax liability or any other costs payable by the Employee in respect of the Vehicle or under this Employee Agreement, can be deducted from annual leave, wages, or bonuses owing to the Employee at the date of termination of his or her employment.
- In the event that the amount owing by the Employee exceeds the amount owed by the University to Lease Plan in respect of the Vehicle then the Employee will reimburse to the University all outstanding amounts prior to the Employee's departure.
24. Where any notification is required to be given by the University under the Hire Agreement, the Employee will provide to the University all necessary input or decisions required for the purposes of giving such notification or making such decisions (including, without limitation, pursuant to clause 8.2 of the Hire Agreement) in sufficient time and manner to enable the University to meet its notification or similar obligations under the Hire Agreement in a timely manner.
25. Where this Employee Agreement is terminated in accordance with clause 5(b), the University may, on the Employee's request, request Lease Plan to consider entering with the Employee and his or her proposed new employer, a novation arrangement in respect of the Vehicle.
26. The Employee agrees to grant the University power of attorney to do anything required to be done in his or her name in relation to the Vehicle or otherwise for the purposes of effecting arrangements contemplated by this Employee Agreement.
27. The operation of clauses 6, 13, 14, 16, 18 to 23 (inclusive) survive the termination of this Employee Agreement.

Agreed by the parties thisday of2000

Signed by the Employee

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Witness

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Name (Please Print)

Signed for and on behalf of the University)

by)

in the presence of:)

.....

Witness

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Signature

.....

Name (Please Print)

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Name (Please Print)

SCHEDULE 1*[To be completed by the University in conjunction with the Employee]*

Employee Name	
Vehicle Registration Number	
Kilometres at the Start of Usage Period	Km
Make / Model	
Start Date of Usage Period	
Usage Period (Months)	Months
Monthly Payment (including running costs)	\$
Estimated Annual Distance	Km pa.
FBT Liability Estimated	\$
Excess Kilometre Charge	cents per km
Package Charge (includes Monthly Payment Plus est. FBT liability)	\$

Signed by Paul Richardson on behalf of

Signed by.....

La Trobe University

Annexure A

**Long Term Hire Agreement –
Government Agreement No
2000GV005**