

This Agreement is made on the \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_\_\_

**Between:**

- (1) The University of Birmingham of Edgbaston Birmingham B15 2TT (“the University”); and
- (2) [insert] of [insert] (“the Employee”)

**AGREED TERMS**

**1. DEFINITIONS**

The following definitions apply in this Agreement:

- Event of Default:** any event or circumstance listed in Clause 8 of this Agreement.
- Loan:** the sum of £[insert] lent or to be lent by the University to the Employee or (as the context requires) the total amount outstanding of that sum.
- Shortfall** in connection with Clause 4.1.1.2, the difference between:
- the amount due to be repaid to the Employer in the relevant month, less the amount deducted from the Employee’s salary in partial repayment thereof; and
  - the National Minimum Wage payable in the relevant month

**2. LOAN**

The University provides the Loan to the Employee by bank transfer to the Employee’s account, subject to the terms of this Agreement.

**3. PURPOSE OF LOAN**

The Employee will use the Loan to discharge those costs as set out in the Application Form which appears as a Schedule to this Agreement.

**4. REPAYMENT**

**4.1** The Employee will repay to the University the Loan in full:

- 4.1.1 by making [insert] equal monthly repayments, on or before the last working day of the month commencing in the month of [insert month and year], each in the sum of £[insert]:
  - 4.1.1.1 by direct deduction from any salary due to the Employee in each month;
  - 4.1.1.2 if the salary due to the Employee for any such month (excluding any employee National Insurance contributions and all other lawful deductions made by from the Employee’s salary) is insufficient:
    - (a) to repay the amount due to the University in that month; and
    - (b) to leave the Employee with a residue equal to or in excess of the National Minimum Wage payable for that monthby repaying any Shortfall by bank transfer to the University’s account on the last working day of that month; or
- 4.1.2 if earlier, following a demand by the University at any time after an Event of Default has occurred,

together in each case with all other amounts outstanding under this Agreement; and  
4.1.3 in any event, within 36 months from the last working day of the month set out at Clause 4.1.1.

**4.2** The Employee may repay to the University the Loan in full or in part at any time, following notice to the University specifying the amount of the repayment.

## **5. INTEREST**

The Loan is interest free.

## **6. COSTS**

The Employee will pay to, or reimburse, the University on demand, on a standard basis, all costs and liabilities incurred by the University, in relation to suing for, or recovering, the Loan.

## **7. ASSIGNMENT AND TRANSFER**

The Employee may not assign or transfer any of their rights or obligations under this Agreement.

## **8. EVENTS OF DEFAULT**

Each of the events set out in this clause is an Event of Default.

**8.1 NON-PAYMENT** The Employee fails to pay any sum payable by it under this Agreement when due, unless its failure to pay is caused solely either by:

(a) an administrative error or technical problem and payment is made within seven days of its due date; or

(b) an event (not caused by, and outside the control of, either party) that materially disrupts the systems that enable payments to be made or that otherwise prevents the Employee from complying with their obligations under this Agreement.

**8.2 END OF EMPLOYMENT** The Employee ceases to be employed by the University.

**8.3 PURPOSE** The Employee uses the Loan for any purpose other than the purpose specified in Clause 3.

**8.4 BANKRUPTCY** Either:

(a) the Employee stops or suspends payment of any of its debts or is unable to pay any of its debts as they fall due; or

(b) a petition for a bankruptcy order is presented or a bankruptcy order is made against the Employee or the Employee makes an application for a bankruptcy order.

**8.5 DEATH** The Employee dies.

## **9. NOTICES**

**9.1** Any notice or other communication given under this Agreement must be in writing and must be delivered

by hand or sent by first class post or other next working day delivery service.

**9.2** Any notice or other communication to be given under this Agreement must be given to the relevant party at the relevant address stated at the start of this Agreement, in the case of the University marked for the attention of the Deputy Director of Finance, or as otherwise specified by the relevant party in writing to the other party.

**9.3** Any notice or other communication given under this Agreement will be deemed to have been received: if delivered by hand, at the time it is left at the relevant address; or if sent by first class post or other next working day delivery service, on the second working day after sending.

**10. GOVERNING LAW**

This Agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation will be governed by and construed in accordance with the law of England and Wales.

**11. JURISDICTION**

Each party irrevocably agrees that the courts of England and Wales will have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this Agreement or its subject matter or formation.

Signed by [NAME OF EMPLOYEE]: .....

Signed by [NAME OF AUTHORISED SIGNATORY]  
for and on behalf of The University of Birmingham: .....

**Schedule**

Completed Application Form to be annexed