

## **AA driving school Franchise Terms and Conditions**

### **Please read these before applying for an application pack**

---

Last updated: September 2004

Please print off and retain for your records a copy of these terms and conditions and any application form completed. Please see Web Site Terms & Conditions, which also apply.

#### **Instructor Code of Conduct**

In order to uphold the image of the AA, and to meet the expectations of your pupils, instructors must comply with the following standards:

#### **You**

- i. All tuition provided must comply with DSA and AA guidelines.
- ii. As a representative of the AA, you must always comply with the Highway Code and maintain a polite, professional and respectful manner towards pupils, other road users, other AA franchised driving instructors and members of the Customer Service Centre (CSC) staff.
- iii. Neither you nor the pupil are permitted to use a hand-held mobile phone or messaging device whilst driving, supervising a learner, or at any time whilst the engine is running.
- iv. You must be dressed appropriately. Denim, tracksuits, tee-shirts and trainers are not permissible.
- v. Smoking during lessons, with a pupil in the car, is not permitted under any circumstances.
- vi. You must not impair instructional effectiveness through alcohol/drug abuse or excessive working hours.
- vii. You must keep AA driving school updated with accurate information concerning your Green Badge expiry date and check test results.
- viii. All self-generated pupils must be registered with AA driving school before their first lesson takes place.
- ix. All fees must be paid. There are no allowances for illness or holiday, apart from the two franchise free weeks given at Christmas, plus your additional Franchise free days entitlement for your length of service.

#### **Your pupils**

- i. All new pupils must be contacted prior to the commencement of tuition to confirm licence details, manual/automatic tuition, time, date and duration of first lesson, payment details and correct pick up point.
- ii. The time, date and duration of a lesson agreed with a pupil must be adhered to. If this is not possible, and we recognise that difficulties may occur, instructors must contact pupils by telephone giving a minimum of 48 hours prior notice. In the event that a pupil cannot be contacted, the CSC must be informed.
- iii. Ensure that all pupils, prior to the commencement of their first lesson, have received their Driver Record and have read and signed the Terms and Conditions.
- iv. All lesson payment transactions must strictly comply with AA driving school procedures.
- v. All claims made for pre-paid lessons conducted must be accurate. Fraudulent claims (including claiming for lessons not conducted) will result in the immediate termination of The Franchise Agreement.
- vi. All tuition should be carried out in accordance with AA and DSA guidelines. A Driver Record must be accurately maintained for every pupil.

#### **Your contact with the Customer Service Centre**

- i. Voice Mail must be accessed every day (after 7:30pm weekdays) to ensure pupil details are collected and confirmed where appropriate.
- ii. The system diary must be accurate and reflect a true picture of your availability. Ideally this should be updated through Diary Direct or Insite.
- iii. Staff at the CSC are to be treated professionally at all times. Any example of threatening behaviour could result in the termination of the Franchise Agreement.

#### **Your car**

- i. No passengers are allowed in the vehicle during tuition, with the exception of Interpreters, DSA officials and representatives of AA driving school.
- ii. Any accident or incidents must be reported immediately to the relevant department.
- iii. Your Ford Focus must be serviced at a Ford dealer at 12,500 miles.
- iv. AA driving school signage on the tuition vehicle must be displayed in the same condition as originally supplied or as may be directed by AA driving school from time to time. Additional materials except those supplied by AA driving school must not be added to the vehicle's body, glass or fittings, and a charge will be made for a vehicle returned with AA signage missing in either whole or part.
- v. The roof box provided by AA driving school must be displayed correctly at all times whilst learner drivers are under tuition in the vehicle.

### **Your low call rate business mobile**

- i. These Terms and Conditions form part of your Franchise Agreement with AADL and all definitions should be construed accordingly.
- ii. AADL will provide you with a Nokia 6310i handset or equivalent model (the "Mobile"). Connection, handset insurance and itemised billing will be provided with the Mobile. The terms of the insurance cover will be available on request and will include accidental damage but not theft or loss. The insurance policy is held by AADL but you will be bound by its terms and exclusions.
- iii. There is no minimum contract period.
- iv. AADL will arrange for you to be provided with a monthly statement for the use of the Mobile. Calls will be charged to you at cost which may vary from time to time and be deducted with your Licence Fee. The current costs will be notified to you. Call costs must not exceed £75 a month including VAT unless you pay AADL a deposit of £150 (the Mobile Deposit), in which case call costs must not exceed £150 a month. You will not earn interest on the Mobile Deposit and it will be returned to you when you return the Mobile to AADL as long as there are no outstanding call charges.
- v. The number which will be allocated to you remains the property of AADL at all times. The Mobile and Sim Card remain the property of AADL at all times and must be returned to AADL when you cease to be a Franchisee. If there are any outstanding call charges these must be paid or they will be deducted from your Deposit as set out in the Franchise Agreement.
- vi. This contract for Mobile Phone services is between you and AADL but you must comply with the normal terms of use which are required by Vodafone or any other service provider AADL may use in the future.
- vii. You must avoid using your Mobile whilst driving or supervising a learner driver unless you are using a hands-free kit. Please remember that it is an offence to use a hand-held mobile telephone whilst driving or supervising a learner driver. Avoid becoming engaged in lengthy, distracting conversations whilst driving or supervising a learner driver. Do not use your Mobile whilst you are at a fuel filling station or near flammable substances or in restricted areas.
- viii. If your Mobile is lost/stolen, contact the Instructor Helpdesk in order to have the number barred and handset replaced. You must pay AADL £149+VAT if your Mobile is lost or stolen.
- ix. If you need assistance with your Mobile or if it is faulty, contact the Instructor Helpdesk on 0800 11 55 33, or any contact number which we give you from time to time.
- x. If AADL makes arrangements for upgrading the handset, AADL will notify you. You will be required to comply with AADL's reasonable instructions for upgrading the handset and returning the old one.
- xi. These Terms and Conditions form an integral part of your Franchise Agreement with AA Developments Limited and consequently you will be deemed to have accepted these terms and conditions whether or not you use the Mobile.

Failure to comply with any of the above could lead to the immediate termination of the Franchise Agreement with AA driving school.

### **Complaints**

Should a complaint against you be received, you must co-operate fully with any investigation that follows. In the event that any compensation is paid to resolve the complaint, this will be recovered from yourself.

---

### **Agency Agreement**

#### **WHEREAS:**

AAD and the Franchisee have entered into a franchise agreement ('the Franchisee Agreement')

whereby AAD has agreed to supply the Franchisee with an appropriate vehicle (except where the Franchisee provides his own vehicle) and provide a pupil introduction service and the right to operate his driving instruction business as a non-exclusive holder of various rights of franchise set out in the Franchise Agreement with the intention that the Franchisee shall carry on the said business of providing driving instruction on his own behalf and not as the agent of AAD;

The Franchisee has agreed to pay to AAD certain sums referred to in the Franchise Agreement in consideration of the provision by AAD to the Franchisee of the aforementioned rights and services.

**NOW IT IS HEREBY AGREED AS FOLLOWS:**

1. The Franchisee hereby appoints the Agent to collect and receive on behalf of the Franchisee monies paid by the Franchisee's Pupils (as defined in the Franchise Agreement) in respect of driving tuition provided by the Franchisee.
2. Subject to the provisions of Clause 3 below the Agent shall maintain a record of all monies received on behalf of the Franchisee and shall account to the Franchisee for any outstanding monies (but for the avoidance of doubt excluding any interest accrued) on a monthly basis.
3. The Agent shall deduct from any monies received on behalf of the Franchisee an amount equal to all sums due to AAD under the Franchise Agreement and will account for such an amount to AAD. AAD shall inform the Agent of the amount of any sums due under the Franchise Agreement from the Franchisee to AAD before the Agent is obliged to account to the Franchisee pursuant to Clause 2 above.
4. AAD hereby appoints the Agent to collect on its behalf any monies due from the Franchisee to AAD pursuant to the Franchise Agreement.
5. The Franchisee shall enter into an appropriate variable direct debit and credit bank mandate made in favour of the Agent. For the avoidance of doubt, the Agent shall be entitled to require the debit of funds from the Franchisee's account for the purpose of collecting monies due to AAD where the amount of monies received by the Agent on behalf of the Franchisee are insufficient to enable collection of monies due to AAD by deduction in accordance with Clause 3 above.
6. AAD agrees to reimburse the Agent in respect of all costs incurred in connection with the performance of its duties hereunder.
7. The Franchisee and AAD hereby authorise the Agent to delegate, use or engage such person, firm or corporation as the Agent may in its absolute discretion determine to carry out or assist the Agent in carrying out all or any of the obligations of the Agent hereunder.
8. This Agency Agreement is to be concurrent with the Franchise Agreement.

---

## **Franchise Agreement**

**WHEREAS:**

The Franchisee is a properly qualified self-employed driving instructor operating or intending to operate his own driving instruction business;

On the terms hereinafter appearing, AAD agrees to grant to the Franchisee the right to operate his driving instruction business as a non-exclusive holder of the rights of franchise appearing herein with the intention that the Franchisee shall carry on the said business of providing driving instruction on his own behalf and not as the agent of AAD;

AAD agrees to provide a pupil introduction service and to supply to the Franchisee (if requested) an appropriate vehicle on the terms appearing herein;

On the basis that AAD intends to grant similar franchises to various self-employed driving instructors throughout the United Kingdom, the driving instruction franchise as granted by AAD shall for the purposes of this Agreement collectively be referred to as "the AA driving school Scheme"; and all learner and pupil drivers who are introduced to the Franchisee through AAD or who are registered by the Franchisee with AAD shall be referred to as "the Franchisee's Pupils".

**NOW IT IS HEREBY AGREED AS FOLLOWS:**

1. AAD and the Franchisee declare and acknowledge that the driving instruction given to the Franchisee's Pupils by the Franchisee constitutes the business of the Franchisee, who is a self-employed independent contractor and nothing in this Agreement shall make the Franchisee the employee or agent of AAD or the Automobile Association Limited.
2. The Franchise Agreement shall commence on the date hereof and subject to Clause 21 below shall remain in full force and effect until terminated by either party giving to the other no less than three full weeks prior written notice of termination and a week for these purposes shall be deemed to commence on a Saturday.
3. The parties acknowledge and agree that it is an express condition of AAD entering into this Agreement that on the commencement date the Franchisee shall have properly discharged any and all obligations and restrictions imposed on the Franchisee by any other driving school franchise or other relevant contract.
4. The Franchisee appoints AAD on the terms set out herein as its agent to introduce prospective pupils to the Franchisee. All driving tuition will be given by the Franchisee, as principal, to the Franchisee's Pupils.
5. Nothing in this Agreement shall be construed as guaranteeing the Franchisee any or any minimum number of pupil introductions. Neither is the Franchisee offered any exclusivity in any geographical or postcode area.
6. The Franchisee authorises AAD to verify the Franchisee's status, including for the avoidance of doubt, the Franchisee's current check test grade, and to exchange complaint and other information with the Driving Standards Agency ('DSA').
7. Throughout the term of this Franchise Agreement AAD shall:
  - a. acting as agent for the Franchisee provide during office opening hours a pupil introduction service. Such service shall be provided subject to the provisions of Clause 5 above. The service will be provided from the AAD office at Bristol or such other office as AAD may from time to time notify the Franchisee;
  - b. issue to the Franchisee's Pupils as agent for the Franchisee all relevant documentation setting out the terms and conditions of the Agreement between the Franchisee and the Franchisee's Pupils;
  - c. as required, accept as agent for the Franchisee, any payments made by the Franchisee's Pupils in respect of tuition provided or to be provided;
  - d. provide the Franchisee with a copy of AAD's Instructor Code of Conduct;
  - e. (except where the Franchisee provided his vehicle pursuant to Clause 8 below) supply on hire to the franchisee a vehicle appropriate for giving of professional driving instruction on the terms appearing herein ('the Tuition Vehicle'). The Tuition Vehicle shall display AA driving school Scheme signage and other appropriate logos and Trade Marks of The Automobile Association Limited;
  - f. insure and obtain the road fund licence for the Tuition Vehicle. Such insurance shall cover the Tuition Vehicle only and shall not include any personal effects which may be carried in the Tuition Vehicle;
  - g. provide a maintenance service for the Tuition Vehicle. Subject to the provisions of such maintenance, AAD gives no express warranty or undertaking, and excludes so far as it is able all implied warranties in regards to the quality or fitness for purpose of the Tuition Vehicle;
  - h. arranges professional indemnity insurance for the franchisee with an appropriately authorised underwriter.

8. The Franchisee may, subject to compliance with the terms appearing herein, provide his own vehicle ('the Franchisee's Vehicle') for the purpose of giving driving lessons to the Franchisee's Pupils provided that the Franchisee's Vehicle must first have been approved by AADS as being consistent with the image of AA driving school and appropriate for the giving of professional driving instruction, such approval to be at the absolute discretion of AAD. Where the Franchisee provides his own vehicle in accordance with this Clause, AAD will provide such AA driving school Scheme signage and other appropriate logos and Trade Marks of The Automobile Association Limited for display on the Franchisee's Vehicle as it, in its absolute discretion, considers appropriate.
9. The Franchisee shall:
  - a. prior to commencement of this Franchise Agreement pay to AAD the Initial Franchise Payment; and
  - b. throughout the term of this Franchise Agreement (except where the Franchisee provides his own vehicle pursuant to Clause 8) pay to AAD the weekly Tuition Vehicle Hire Charge; and
  - c. throughout the term of the Franchise Agreement pay to AAD the weekly Licence Fee for the use of the AA name, signage, logos and trade marks in accordance with the terms of this Agreement; and
  - d. throughout the term of this Franchise Agreement pay to AAD if required the weekly Pupil Introduction Arrangement Fee. For the avoidance of doubt, no pupil introductions shall be made to the Franchisee by AAD during any period of notice prior to termination of this Agreement, but the Franchisee shall continue to make such Pupil Introduction Arrangement Fee payments as may be required in regard to Pupils already introduced to the Franchisee by AAD; and
  - e. pay to AAD the Payment Failure Administration Fee in the event that any direct debit payment request made by AAD or cheque offered by the Franchisee is not honoured. The Initial Franchise Payment, Tuition Vehicle Hire Charge, Licence Fee, Payment Failure Administration Fee and Pupil Introduction Arrangement Fee shall be of such amounts as are periodically determined by AAD in its absolute discretion and notified to the Franchisee. Such fees and charges shall be displayed at AAD'S Bristol office and, for the avoidance of doubt, AAD shall be entitled to vary the amount of such fees and charges upon not less than 21 days prior notice to the Franchisee.

The Initial Franchise Payment shall include an element of deposit, as notified to the Franchisee, and such element of deposit may be refundable to the Franchisee eight weeks after termination of this Franchise Agreement provided that there are no unresolved complaints regarding the Franchisee and the Franchisee does not owe any monies to AAD and provided that the franchise was held for a minimum of 26 weeks prior to termination;

The payments referred to in paragraphs (b), (c) and (d) of this Clause 9 shall on each statement of account be collectively referred to as the Weekly Franchise Fee.

The payments referred to in paragraphs (b), (c), (d) and (e) of this Clause 9 shall be paid by the Franchisee by entering into an appropriate variable direct debit and credit bank mandate made in favour of AA driving school or its appointed agent.

10. The Franchisee shall be entitled to set, and shall notify AAD of the price per driving lesson for lessons booked by the Franchisee's Pupils, save that the price so set shall not exceed the recommended maximum price as notified by AAD to the Franchisee from time to time;

To further ensure the efficient operation and administration of the AA driving school Scheme the Franchisee shall ensure that all monies paid by the Franchisee's Pupils in advance of tuition provided shall be made payable to AA The Driving School Agency Limited under the terms of the Agency Agreement between the parties hereto and AA The Driving School Agency Limited of even date.

11. Throughout the term of this Franchise Agreement the Franchisee shall:
  - a. make all relevant bookings, test appointments and other contacts as may be required between the Franchisee and each of the Franchisee's Pupils;

- b. faithfully carry out his obligations under any contract entered into between the Franchisee and the Franchisee's Pupils;
  - c. ensure that all driving lessons given to the Franchisee's Pupils conform to the DSA recommendations or such other procedures as may be recommended by AAD from time to time;
  - d. conduct all driving instruction given to the Franchisee's Pupils in accordance with AAD's Instructor Code of Conduct as notified to the franchisee from time to time;
  - e. use all reasonable endeavours to promote and improve the reputation of the AA driving school Scheme and do nothing which may cause any harm or damage to the reputation of the AA driving school Scheme;
  - f. contact any prospective pupil introduced to the Franchisee by AAD prior to the scheduled start of the initial lesson to confirm all relevant details;
  - g. advise the relevant AAD office of any dates in regard to which the Franchisee does not wish AAD to take initial bookings for the Franchisee from prospective Franchisee's Pupils;
  - h. in the event that for any reason the Franchisee is unable to attend a driving lesson booked with him by one of the Franchisee's Pupils, the Franchisee shall as soon as reasonably possible notify the Pupil. The parties acknowledge that as all driving lessons booked by the Franchisee's Pupils with the Franchisee constitute an agreement between the Franchisee and each Pupil involved, nothing in this Agreement can oblige any of the Franchisee's Pupils to accept any alternative arrangements, and the Franchisee shall be liable for, and shall indemnify AAD against, any claim made by the Franchisee's Pupils resulting from such cancelled or alternative driving instruction;
  - i. as a self-employed independent contractor be responsible for discharging all Income Tax and National Insurance liabilities and any Value Added Tax arising from fees receivable for services performed as a result of this Franchise consistent with enactments imposing such taxes and liabilities;
  - j. ensure that the Franchisee holds all necessary licences and/or registrations (including all required DSA qualifications and renewals thereof) as shall properly enable the Franchisee to give professional driving instruction in accordance with the DSA recommended procedures, and submit to all relevant DSA driving instructor testing, notifying AAD of the dates of any check test appointments and the results thereof;
  - k. where the Franchisee provides his own vehicle pursuant to Clause 8, ensure that it is appropriately insured and taxed;
  - l. be responsible for arranging for himself appropriate public liability insurance;
  - m. not commit any act nor omit to do any act which under the Sex Discrimination Act 1975, the Race Relations Act 1976, any Act of Parliament amending, replacing or modifying those Acts, any regulations made thereunder or otherwise constitutes unlawful discrimination;
  - n. fully comply with all other relevant statutes; and
  - o. promptly notify AAD of any complaint or allegation made against the Franchisee of which AAD ought reasonably to be made aware, including but not limited to any allegation of commission of a criminal offence (including motoring offences).
12. In addition, throughout the term of the Franchise Agreement, in regard to the Tuition Vehicle or, where relevant, the Franchisee's Vehicle the Franchisee shall:
- a. be responsible for all parking fines or congestion charges (including the payment of all penalty fees or other charges for non-payment) and any other traffic offences (including the misuse of mobile phones) arising in connection with the Tuition Vehicle or the Franchisee's Vehicle;

- b. be responsible for all petrol, oil and other consumables used by the Tuition Vehicle or the Franchisee's Vehicle;
- c. ensure that the Tuition Vehicle or the Franchisee's Vehicle is available for inspection at all times by AAD or the vehicle manufacturer subject to the Franchisee's receipt of reasonable notice;
- d. ensure that the Tuition Vehicle is at all times maintained in accordance with the manufacturer's recommendations, and that it receives all required scheduled servicing and that such servicing is carried out by the manufacturer's authorised dealers;
- e. ensure that all fuel, oil, grease, water, anti-freeze and any other consumables or lubricants which may be required for the satisfactory and proper running of the Tuition Vehicle are maintained at satisfactory levels;
- f. ensure that all mechanical breakdowns and accidents are immediately reported to AAD and that all mechanical and accident repairs are carried out in accordance with the manufacturer's recommendations by vehicle repairers authorised by the manufacturer;
- g. commit no act or omission which may invalidate the manufacturer's warranty;
- h. bear all costs incurred in regard to any motor dealers or traders who are not authorised representatives of the manufacturer, unless specifically authorised to incur such costs by AAD;
- i. bear any costs arising from frost or pollution damage or from the misuse or abuse of the Tuition Vehicle including, but not limited to, the use of incorrect fuels or oils;
- j. bear any costs directly or indirectly attributable to any failure to submit the Tuition Vehicle either for servicing at the intervals recommended by the manufacturer or for repairs when these are reasonably necessary;
- k. not use the Tuition Vehicle outside the United Kingdom without the prior written approval of AAD;
- l. ensure that all the standard and additional fittings supplied with the Tuition Vehicle on delivery remain fitted to the Tuition Vehicle at all times and on its return to AAD;
- m. not fit nor allow to be fitted any parts, components or accessories to the Tuition Vehicle which may materially affect the performance or appearance of the Tuition Vehicle nor display any signage on the Tuition Vehicle other than that supplied with the Tuition Vehicle or by AAD;
- n. not use the Tuition Vehicle for racing, trials or rallying;
- o. keep the Tuition Vehicle within the Franchisee's possession and control at all times, and not to sell, lease, or otherwise dispose of the Tuition Vehicle, or make any attempt so to do;
- p. allow no third parties (other than those expressly permitted under this Agreement) without the prior written consent of AAD to drive the Tuition Vehicle, and ensure that the Tuition Vehicle is at no time subject to any lien, charge or other encumbrance;
- q. ensure that the Tuition Vehicle or, where appropriate, the Franchisee's Vehicle is in a roadworthy and appropriate condition during the giving of all lessons to the Franchisee's Pupils;
- r. return the Tuition Vehicle to AAD in accordance with AAD's Tuition Vehicle replacement procedures current from time to time, or forthwith upon termination of this agreement, and on such return to ensure that the condition of the Tuition Vehicle has not deteriorated from its condition on delivery, fair wear and tear excepted. The Franchisee agrees to pay AAD any costs incurred by AAD in restoring the Tuition Vehicle to a standard which AAD considers to be acceptable;

- s. in the event that following termination of this Franchise Agreement, the Franchisee has for any reason failed to return the Tuition Vehicle to AAD, allow AAD or the manufacturer of the Tuition Vehicle or their agents to enter into the Franchisee's premises for the purpose of repossession of the Tuition Vehicle, and the Franchisee shall reimburse AAD or the manufacturer with all costs thereby incurred;
  - t. ensure that any AA livery either supplied with the Tuition Vehicle on delivery, or fitted to the Franchisee's Vehicle at the commencement of this Franchise Agreement, remains attached to the Tuition Vehicle or the Franchisee's Vehicle at all times, and that no attempt is made by the Franchisee or any other person to remove in whole or in part any such livery, except with the prior written approval of AAD. If any AA livery is removed, either in whole or in part, without the prior written approval of AAD then the Franchisee shall be liable for all costs incurred by AAD in reinstating or replacing any such livery.
13. The hours during which the Franchisee gives driving instruction to the Franchisee's Pupils shall be entirely at the discretion of the Franchisee.
14. AAD and the Franchisee shall immediately after the signing hereof each enter into the agency agreement in the form annexed hereto. In order to secure the payment to AAD of any sums due from the Franchisee pursuant to Clause 9 above or otherwise, the Franchisee agrees to comply with the payment procedures set out from time to time in the procedures provided to the Franchisee by AAD.
15. As a self employed independent contractor the Franchisee shall under no circumstances be entitled to receive any compensation or other payments in the event that AAD terminates this Franchise Agreement in accordance with its terms and conditions.
16. The Franchisee shall ensure that throughout the term of this Franchise Agreement, in all correspondence and other dealings with the Franchisee's Pupils, the Franchisee will clearly indicate that the Franchisee is acting as principal and that all driving lessons booked by the Franchisee's Pupils with the Franchisee, whether directly or through the Pupil Introduction service supplied by AAD pursuant to Clause 7 above, constitute an agreement between the Franchisee and each Pupil involved. The Franchisee shall indemnify AAD against any claims made, whether in the course of legal proceedings or otherwise, by the Franchisee's Pupils against AAD in connection with any breach or non performance of any agreement between the Franchisee and the Franchisee's Pupils.
17. The Franchisee hereby expressly authorises AAD to provide to the Franchisees Pupils and to other AAD franchisees the Franchisees business address (which shall not be an AAD address) and business telephone number(s). Where AAD has not been notified of the Franchisees business address, AAD shall be entitled to deem the Franchisees home address to be the Franchisees business address and to provide such information to the Franchisees Pupils and other AAD franchisees on request;
18. In order to protect the reputation of AAD and the AA driving school Scheme and its Franchisees and to maintain satisfactory public relations, AAD reserves the right to communicate with any of the Franchisee's Pupils at any time during the term of this Agreement to ascertain the quality of work carried out by the Franchisee and the Franchisee shall upon request furnish AAD with such particulars of its Pupils as AAD shall reasonably require and provide reasonable assistance as may be necessary for this purpose.
19. Under no circumstances shall the Franchisee be entitled to:
  - a. make any representation that the Franchisee represents, carries any endorsement from, or is in any way associated to The Automobile Association Limited or AAD in any way other than that specifically permitted under the terms of this Franchise Agreement. Under no circumstances shall the Franchisee be permitted to use any Trade Mark, Service Mark or other logo type of AAD or The Automobile Association Limited unless such use is expressly permitted under the terms of this Franchise Agreement, and for the avoidance of doubt the Franchisee hereby accepts and agrees that no such use is permitted in relation to any internet site published by or on behalf of the Franchisee;
  - b. use the Tuition Vehicle to give any driving instruction other than to the Franchisee's Pupils or any other pupil receiving tuition under the AA driving school scheme;

20. Nothing in this Franchise Agreement will give the Franchisee any rights of occupation to or in any AAD office or outlet.
21. AAD may terminate this Franchise Agreement immediately in the event that the Franchisee is in material breach of any of the provisions set out herein (including the franchisee's agreement to comply with AAD's Instructor Code of Conduct for driving instructors) or commits or is alleged to have committed any criminal offence which AAD deems could prejudice the Franchisee's ability to properly conduct driving instruction or commits any act or omission which in AAD's reasonable opinion could jeopardise the reputation of the AA driving school Scheme.
22. Nothing in this Franchise Agreement is intended to or shall prevent the Franchisee from offering professional driving tuition in addition to that offered to the Franchisee's Pupils, provided that the Franchisee ensures that the provision of any driving instruction to learner drivers other than the Franchisee's Pupils does not conflict with any previously arranged bookings made with the Franchisee's Pupils or in any other way prejudices the operation or financial position of the AA driving school Scheme.
23. On termination of this Franchise Agreement howsoever caused, the Franchisee shall forthwith return to AAD all property owned or leased by AAD or The Automobile Association Limited and provided to the Franchisee for or in connection with the operation of the Franchisee's business. In the event that following termination of this Franchise Agreement the Franchisee has for any reason failed to return such property to AAD, the Franchisee shall allow AAD or its agents to enter into the Franchisee's premises for the purposes of repossession of such property, and the Franchisee shall reimburse AAD with all costs thereby incurred. For the avoidance of doubt the generality of this Clause 23 shall not affect the Franchisee's specific obligation to return the Tuition Vehicle under Clause 12(s) above.
24. Upon termination of this Franchise Agreement (howsoever such termination occurs), the Franchisee acknowledges and agrees that AAD, its representatives or other agents, may make such approaches as AAD sees fit to some or all of the Franchisee's Pupils offering such individuals the services of another AA driving school Scheme franchise holder to continue their driving lessons.
25. Within eight weeks of termination of this Agreement AAD shall notify the Franchisee of any sums owing to AAD under this Agreement and any such sums shall be paid by means of the variable direct debit noted in Clause 9 or by such other means as AAD may reasonably require.
26. Following the termination of this Franchise Agreement the Franchisee shall make no representation that the Franchisee or the Franchisee's business is or has been in any way connected with or associated to the AA driving school Scheme, AAD or The Automobile Association Limited. For the avoidance of doubt the parties agree that the provisions of this Clause 26 shall remain in full force and effect following the termination of this Agreement.
27. The rights granted to the Franchisee hereunder are personal to the Franchisee and may not be assigned or otherwise transferred to any third party without the prior written consent of AAD.
28. Nothing in this Agreement shall be construed as making the parties hereby partners or joint venturers or render either party hereto liable for any of the debts or obligations of the other party and the Franchisee shall in no way be considered as being agent or representative of AAD in any dealings which the Franchisee may have with the third party and the Franchisee shall not act for or make any representation on behalf of AAD in any such dealings and shall have no power to contract on behalf of AAD.
29. This Agreement is solely between the Franchisee and AAD and any third-party rights under, and the effects of, The Contracts (Rights of Third Parties) Act 1999, or any replacement thereof, are hereby excluded.
30. For the purposes of this Agreement any reference to the masculine gender shall include the masculine, feminine and neuter genders.
31. The provisions of this Agreement may only be varied with the express prior written approval of the General Manager, AA driving school.
32. This Franchise Agreement is subject to English law and the parties submit to the jurisdiction of

the English courts.

### Use of Personal Information

Information you provide or we hold about you (whether or not under our contract (or contracts) with you) may be used by us or our agents to:

- (a) identify you when you contact us;
- (b) help identify accounts, services and/or products which you could have from us from time to time. We may do this by automatic means using a scoring system, which uses the information you have provided, any information we hold about you and information from third party agencies (including credit reference agencies).
- (c) help run, and contact you about improved running of, any accounts, services and products we have provided before, or provide now or in the future;
- (d) carry out marketing analysis and customer profiling (including with transactional information) and create statistical and testing information;
- (e) help to prevent and detect fraud or loss; and
- (f) contact you in any way (including mail, email, phone, text or multimedia messages) about products and services offered by us and selected partners. We will only contact you in this way if you have previously indicated your consent.

We may allow other people and organisations to use information we hold about you for the purpose of providing services you have asked for, as part of the process of selling one or more of our businesses, or if we have been legitimately asked to provide information for legal or regulatory purposes or as part of legal proceedings or prospective legal proceedings. From time to time, these other people and organisations may be outside the EEA in countries that do not have the same standards of protection for personal data as the UK.

We may also allow your information to be used by other Centrica Group companies (including those using the British Gas, Scottish Gas, One.Tel and AA brands) for them to carry out any of the above purposes.

We may monitor and record communications with you (including phone conversations and emails) for quality assurance, legal, compliance and training purposes.

We will check your details with fraud prevention agencies. If you provide false or inaccurate information and we suspect fraud, we will record this. We and other organisations may use and search these records to:

- (a) help make decisions about credit and credit related services for you and members of your household;
- (b) help make decisions on motor, household, credit, life and other insurance proposals and insurance claims for you and other members of your household;
- (c) trace debtors, recover debt, prevent fraud, and to manage your accounts or insurance policies; and
- (d) check your identity to prevent money laundering unless you give us other satisfactory proof of identity.

Where you give us information on behalf of someone else, you confirm that you have provided them with the information set out in this document, and that they have not objected to the uses of their personal information described in it. Where you give us sensitive data about yourself or others (such as health details or details of any criminal convictions of members of your household), you agree (and confirm that the relevant subject of the information has agreed) to us processing such information in the manner set out in this document.

In connection with this contract we, and other companies in our group, may carry out credit and fraud prevention checks with one or more licensed credit reference and fraud prevention agencies. We and they may keep a record of the search. Information held about you by these agencies may be linked to records relating to other people living at the same address. These records will also be taken into

account in credit and fraud prevention checks. Information from your application and payment details of your account will be recorded with one or more of these agencies and may be shared with other organisations to help make credit and insurance decisions about you and members of your household and for debt collection and fraud prevention. This includes those who have moved house and who have missed payments.

If you provide false or inaccurate information to us and we suspect fraud, we will record this and may share it with other people and organisations. We, and other credit and insurance organisations, may also use technology to detect and prevent fraud.

If you need details of those credit agencies and fraud prevention agencies from which we get and with which we record information about you, please write to our Data Protection Manager at The AA, Apollo Rise, Southwood, Farnborough GU14 0JW.