IN-COMbel04

Machine Lease: any industry, any machine

The Lessor:	[■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■]
and	
The Lessee:	[■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■]
Date:	[Date]

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Schedule 1 The Machine
Schedule 2 The Lease Rentals

This agreement is dated: [date]

The Lessor is: [name]

of [address]

The Lessee is: [name]

of [address]

The Guarantor is: [name]

of [address]

It is now agreed as follows:

1. Definitions

These definitions apply unless the context ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ :

"Entire Lease Period"	mean the Initial Lease Period together with any Subsequent Lease Period or period ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■

2. Interpretation

In this agreement unless the context otherwise requires:

2.1. a reference to a person includes a human individual, a corporate entity and any organisation ■■■

4. Lessor's warranties and exclusions

The Lessor warrants that:

4.1. he is the owner of [redacted] [[redacted]] [redacted];

4.2. the Machine is [new and [redacted]] [redacted], [redacted], [redacted];

4.3. there is no right of [redacted];

4.4. he is aware of no [redacted].

4.5. The Lessor, not being the [redacted], [redacted]:

4.5.1 any defect that may be [redacted];

4.5.2 any future condition or performance of the Machine;

4.5.3 all repairs and replacements of parts [redacted].

5. The Lease

5.1. This Lease commences on [date].

5.2. The Initial [redacted] [3 [redacted]].

5.3. Each Subsequent Lease Period shall be for a further [redacted] [[redacted]] [redacted].

5.4. This Lease shall continue in full force [redacted].

5.5. The Lessee may extend the Lease for a Subsequent Lease Period by giving notice in writing to the Lessor at least three months before the [redacted]. [redacted] [25] % [redacted]

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[redacted].

5.6. By this Lease the Lessor lets and the Lessee takes the [redacted].

5.7. The Lessee agrees that the Machine complies with [redacted] 1 , [redacted].

5.8. The Lessee agrees to pay the [redacted] 2 .

OR

5.9. The Lessee shall, within seven days from the Start Date, [redacted] [[redacted]] [redacted].

5.10. [The Lessee recognises that the Machine is acquired by the [redacted]] [redacted].

5.11. All payments which may be due by the [redacted].

5.12. Except so far as provided in this Lease, [redacted] , [redacted].

6. Payment and accounts

6.1. All payments to be made by [redacted] , [redacted] - [redacted] .

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6.2. If any sum payable is not paid when due, the Lessee shall pay to the [redacted], [redacted] [10 %] [redacted].

7. The Security Deposit

7.1. The Lessor confirms that it has [redacted] [[redacted]] [redacted].

OR

7.2. The Lessee has deposited [redacted]:

7.2.1 a [type [redacted]] [redacted] [[redacted]];

7.2.2 a share certificate [redacted] [[redacted]] [redacted] [[redacted]].

7.3. The Lessor may sell or liquidate the Security [redacted].

7.4. If the [redacted]:

7.4.1 within [7] days he [redacted] [[redacted]] [redacted];

7.4.2 the rights or [redacted].

7.4.3 the sum used is repayable to the Lessor [redacted] [4] [redacted].

8. Delivery and possession

8.1. The Lessee [shall/ shall not] be responsible for [list expenses relating to [redacted], [redacted]] [redacted]

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[redacted] [redacted].

8.2. In the event that the Lessor cannot hand over the possession of the Machine to the [redacted], [redacted], [redacted].

8.3. The Lessor shall, at the cost and [redacted], [redacted].

8.4. Immediately upon possession of the Machine, the Lessee [redacted], [redacted].

8.5. In the event there is any defect in the Machine, the Lessee shall immediately inform the Lessor [redacted]. [redacted] [48] [redacted], [redacted].

9. Lessee's obligations in respect of the Machine

9.1. The Lessee shall [redacted].

9.2. The Lessee shall [redacted].

9.3. The Lessee shall ensure that the Machine [redacted].

9.4. The Lessee shall not remove the [redacted], [redacted].

9.5. The Lessee shall not make any [redacted], [redacted].

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9.6. The Lessee shall keep and [redacted].

9.7. The Lessee shall not purport to sell or sub- [redacted], [redacted].

9.8. During the Entire Lease Period, [redacted].

9.9. The Lessee may operate the [redacted] [40] [redacted] [[redacted] / [redacted]].

9.10. The Lessee shall not allow the Machine to [redacted] [[redacted]].

9.11. If the Machine is lost or damaged, the Lessee shall immediately notify the Lessor. The [redacted], [redacted].

10. Inspection of the Machine

10.1. At any time during the Entire Lease Period, [redacted] [[redacted]] [redacted].

10.2. The Lessor is entitled to inspection upon prior written notice of [7] [redacted], [redacted].

10.3. The Lessor will make sure that [redacted].

10.4. Such inspection will be performed by [redacted] [[redacted]] [redacted].

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10.5. The Lessor shall alone responsible for [redacted] [[redacted]].

10.6. If the inspection reveals any material defect in the [redacted] , [redacted] [30] [redacted] .

10.7. If any inspection reveals material defects, the [redacted] [[redacted]] [redacted] [12] [redacted] .

11. Insurance

11.1. The Lessee shall at its own cost keep the Machine fully [redacted] [[redacted]].

11.2. The Lessee shall ensure [redacted] .

11.3. The Lessee shall pay all insurance premiums punctually [redacted] .

12. Taxes and permits

12.1. The Lessee shall pay all taxes, [redacted] .

12.2. The Lessee shall [redacted] .

13. Buy out of Lease

13.1. At any time during the Initial Lease Period the Lessee shall have the option to buy [redacted] [[redacted]]. [redacted] , [redacted] , [redacted] :

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13.1.1 hand over the possession of [redacted];

13.1.2 at the Lessor's request, sell the Machine [redacted], [redacted];

13.1.3 (if the parties are in agreement) [redacted].

13.2. Upon payment of any money in accordance with [redacted], [redacted].

14. The Guarantor

The Guarantor agrees:

14.1. that his obligations are made to the Lessor for [redacted].

14.2. that if the Lessee assigns his interest without having [redacted], [redacted].

14.3. that any variation to the terms of [redacted].

14.4. [redacted], [redacted]. [redacted], [redacted], [redacted].

14.5. [redacted] [28] [redacted].

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14.6. [redacted].

14.7. [redacted].

15. Default by the Lessee and termination

15.1. [redacted], [redacted] [redacted] [redacted].

15.2. [redacted] "[redacted]" [redacted]:

15.2.1 [redacted], [redacted]; [redacted]

15.2.2 [redacted], [redacted], [redacted], [redacted].

15.2.3 [redacted] [redacted] [redacted] 2, [redacted]

15.2.4 [redacted], [redacted]

15.2.5 [redacted]; [redacted]

15.2.6 [redacted]; [redacted]

15.2.7 [redacted].

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15.3. [redacted], [redacted].

15.4. When an Event of Default happens:

15.4.1 this Lease terminates automatically;

15.4.2 the Lessee must inform the Lessor immediately;

15.4.3 [redacted]-[redacted];

15.4.4 [redacted].

16. Consequences of termination

[redacted]:

16.1. [redacted] [[redacted]] [redacted] [[redacted]] [redacted], [redacted] [14] [redacted].

16.2. [redacted], [redacted], [redacted]. [redacted], [redacted], [redacted].

16.3. all obligations of the Guarantor remain unaffected.

16.4. [redacted], [redacted].

16.5. [redacted]/[redacted].

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16.6. [redacted]

16.7. [redacted]

17. Limitation of liability

17.1. [redacted]

17.2. [redacted]:

17.2.1 indirect or consequential loss; or

17.2.2 [redacted].

17.3. Nothing in this agreement excludes liability for fraud.

17.4. [redacted].

18. Assignment

18.1. [redacted].

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18.2. [redacted] [redacted].

18.3. [redacted]
.

OR

18.4. [redacted], [redacted] [redacted]. [redacted].

18.5. [redacted].

19. Indemnity

[redacted]:

19.1. his failure to comply with the law ;

19.2. his breach of this agreement;

19.3. [redacted], [redacted], [redacted], [redacted];

19.4. [redacted]

19.5. [redacted], [redacted].

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20. Miscellaneous matters

20.1. [redacted], [redacted].

20.2. [redacted], [redacted], [redacted].

20.3. [redacted], [redacted], [redacted], [redacted]. [redacted], [redacted].

20.4. [redacted].

20.5. [redacted], [redacted].

20.6. [redacted].

20.7. [redacted] - [redacted].

It shall be deemed to have been delivered:

[redacted]: [redacted];

[redacted]: [redacted] 72 [redacted];

[redacted] - [redacted]

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[redacted] - [redacted] : [redacted] 24 [redacted] - [redacted] [redacted]. [[redacted] - [redacted]. [redacted], [redacted]].

20.8. [redacted], [redacted].

20.9. [redacted], [redacted].

20.10. [redacted], [redacted].

20.11. [redacted].

20.12. [redacted], [redacted].

[[redacted]]

Signed by [director name] on behalf of [company name] as its / its representative who personally accepts liability for the proper authorisation by [company name] to enter into this agreement.

Signed by [director name] on behalf of [company name] as its / its representative who personally accepts liability for the proper authorisation by [company name] to enter into this agreement.

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[redacted]

OR

[redacted]

Signed by [Lessor name]

Signed by [Lessee name]

Signed by [name] the Guarantor

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Schedule 1: The Machine

[Enter complete description of the Machine]

Location:

Area:

Size:

Details of machines installed:

Fixtures:

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Schedule 2: The Lease Rentals

[■■■■■■■■■■■■■, ■■■■■■■■■■■■■■■■■■■■■■■■■■■■■ ■■■■■■■■■■■■■■■■■■■■■■■■]

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Explanatory notes

Machine Lease: any industry, any machine

General notes

In this template we have provided a practical legal framework. You may need to add regulatory obligations relevant only in your industry. Examples may be: compulsory insurance; tax or import arrangements, ■ ■ ■ ■ ■ ■ ■ ■ , ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ , ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ .

Paragraph-specific notes

Comments following the numbered paragraphs

1. Definitions

You should first decide on the contents of the document, then return to check what definitions are needed and whether they really ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■ ■

The term also binds the signatory. It would be a very careless director who signed this document while he [redacted] .

4. Lessor's warranties and exclusions

It is common for a lessor to give warranty of the title and condition of the machine that is subject matter of the lease. However, a wise lessee or its solicitor will insist on some warranties by the lessor. [redacted] .

See sub-paragraph 4.5. We have added a term excluding lessor’s responsibility for the condition and usage of the machine. For which [redacted] .

Edit as you require.

5. The Lease

Here is the essence of the deal. We have provided for an initial fixed period for your lease. If that is all you want, then fine, you can limit it to that. [redacted] , [redacted] - [redacted] [redacted] .

A different option provides for the lessee to make all the payments together, up front. The [redacted] , [redacted] , [redacted] .

6. Payment & accounts

In the event of default in payment of lease rental, the lessee should compensate the lessor by paying interest. The rate and cumulating period are for negotiation, but you should remember [redacted] . ([redacted] " [redacted] ").

7. The Security Deposit

This paragraph is entirely optional of course. Security will protect the lessor in the event of misuse or other damage to the subject matter of the lease. Security could take the form of [redacted] , [redacted] . [redacted] . [redacted] . [redacted] , [redacted] .

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8. Delivery and possession

We have no comments.

9. Lessee's obligations in respect of the Machine

A set of commercial provisions. The level to which usage, repairs and maintenance [redacted].

You may edit as you require.

10. Inspection of the Machine

A good point to have a check on the condition of the machine - that is your asset. This [redacted].

You may edit as you require.

11. Insurance

Entirely optional and self-[redacted].

12. Taxes and permits

Small but important points. Delete if inapplicable.

13. Buy out of Lease

The question of buy-out is entirely optional. The proposals in this document provide for [redacted].

14. The Guarantor

Whether a guarantor is required is entirely a commercial decision. A guarantor could be an individual or a company. We suggest that in the case of a grant [redacted].

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[redacted] . [redacted] - [redacted] . [redacted] , [redacted] .

The guarantee provisions in this [redacted] . [redacted] .

15. Default by the Lessee and termination

The problem with any default provision is [redacted] . [redacted] .

It is important for the lessor to step in to terminate the lease if something should go [redacted] . [redacted] , [redacted] , [redacted] , [redacted] . [redacted] , [redacted] .

What event you [redacted] .

16. Consequences of termination

These provisions simply tie [redacted] . [redacted] .

17. Limitation of liability

This is clearly important. The first [redacted] .

Assuming it will apply to both parties, [redacted] - [redacted] , [redacted] .

The second part of this paragraph effectively limits a claim to one based directly on [redacted] . [redacted] , 0000 , [redacted] - [redacted] 1 , [redacted]

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[redacted], [redacted], 0000 .

18. Assignment

This paragraph [redacted]. [redacted].

19. Indemnity

We suggest no edits.

20. Miscellaneous matters

A number of special points. We have identified each of these as important to [redacted]. [redacted], [redacted]. [redacted], [redacted]. [redacted].

End of notes

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