

UK-COMbel02

Vehicle lease agreement

The Lessor: [name of lessor]

And

The Lessee: [name of lessee]

Date: [Date]

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Schedule 1: The Vehicle

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 indicates otherwise :

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

"Initial Lease Period" means a period of [3] years from

"Lease" means the Lease set up by this agreement.

"Lease Rentals" means the amounts by way of rental for the use of the Vehicle payable by the Lessee to the Lessor

2 .

"Manufacturer" means the manufacturer [name of the manufacturer] of the Vehicle

"Security Deposit" means the sum paid by the Lessee to the Lessor as a deposit against any breach

"Start Date" means the start date of this Lease.

"Subsequent Lease Period" means any period

"Total Loss" means total destruction or permanent damage to the Vehicle which renders

85 %

"Vehicle" means the subject

1 .

2. Interpretation

In this agreement unless the context otherwise requires:

- 2.1. a reference to a person includes a ,
- 2.2. a reference to a person or party includes reference to that person's successors, legal ,
- 2.3. any agreement by either party not to do or
- 2.4. all money sums mentioned in this Lease are ,

3. Lessee's warranties for authority

The Lessee warrants that:

- 3.1. he has ;

3.2. he has no reason to doubt [his ability /]

3.3. No person, nor governmental authority, has any

4. Lessor's warranties

The Lessor warrants that:

4.1. he is the owner

4.2. the Vehicle is [new and]

4.3. there is no right of

4.4. he is aware of no

5. Lease

5.1. This Lease commences on [date].

5.2. The Lease Period is [3] years.

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

5.4. This Lease shall continue in full force

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

[25] %

5.6. By this Lease the Lessor lets and the Lessee takes the

5.7. The Lessee agrees that the Vehicle complies with
1 ,

5.8. The Lessee agrees to pay the

2 .

OR

5.9. The Lessee shall, within seven days from the Start Date ,
£ [100]

5.10. The Lessee recognises that the Vehicle is acquired by the Lessor

5.11. All payments which may be due by the

5.12. Except so far as provided in this Lease,

6. Payment and accounts

6.1. All payments to be made by the

6.2. If at any time, the Lessee is required to make any

6.3. If any sum payable shall not be paid when due, the Lessee shall pay to the [] , [10 %] / [] .

7. The Security Deposit

7.1. The Lessor confirms that he has [] £ []

OR

7.2. The Lessee has deposited [] :

7.2.1 A [physical asset];

7.2.2 a share certificate [] [] .

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

7.4. If the [] :

7.4.1 within [7] days he [] ;

7.4.2 the rights or [] .

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

8. Delivery and possession

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

OR

8.2. The Lessee shall obtain the delivery of Vehicle from

8.3. The Lessor shall, at the cost and

8.4. Immediately upon delivery of Vehicle, the Lessee shall fully

8.5. In case of any damage or defect in the Vehicle, the Lessee shall immediately inform the Lessor []

[48]

9. Lessee's obligations

9.1. During the

9.1.1 use the Vehicle for commercial purposes only.

9.1.2 not move the Vehicle outside []

9.1.3 ensure that the Vehicle is operated only

9.1.4 keep the Vehicle in a good condition and

9.1.5 not affix plates or other markings nor remove or alter any such identification or registration

9.1.6 complete a vehicle

9.1.7 be responsible for

9.1.8 keep and maintain accurate

9.1.9 not pledge, sell, sub-let or create any

9.1.10 obtain and maintain throughout the Entire Lease

9.1.11 use its best endeavours to follow all the statutory

1988 ,

1988

9.2. If the Total Loss occurs, the Lessee shall immediately notify the Lessor. The Lessor

9.3. The Lessor is entitled to inspection upon prior written notice of [3]

9.4. If the inspection reveals any material defect in the

[15]

10. Insurance

10.1. The Lessee shall at its own cost keep the Vehicle fully

[]

10.2. The Lessee shall ensure

10.3. The Lessee shall pay timely insurance premiums and

11. Taxes and permits

11.1. The Lessee shall pay all taxes,

11.2. The Lessee shall keep

11.3. The Lessee shall obtain

11.4. At any time during the Entire Lease Period,

]

[

12. Buy out of Lease

12.1. At any time during the Initial Lease Period, the Lessee shall have the option to

£ [].

12.1.1 hand over the possession of the Vehicle in good repair

]

12.1.2 at the Lessor's request, sell the Vehicle

12.1.3 (If the parties are in)

12.2. Upon payment of any money in accordance with

13. The Guarantor

The Guarantor agrees:

13.1.

13.2.

13.3.

13.4.

13.5.

[28]

13.6.

13.7.

14. Disclaimers and limitation of liability

14.1. ,

14.2. ,
;
;

14.2.1

;

14.2.2 any future condition or performance of the Vehicle;

14.2.3 repairs to the Vehicle and replacements of parts.

14.3.

:

14.3.1 is indirect or consequential loss; or

14.3.2 ,

;

14.3.3

14.4.

, ,
£ [10 , 000].

14.5.

()
(, , , ,)
() 1999 ,

15. Default by the Lessee and termination

- 15.1. [] ,
- 15.2. " " :
- 15.2.1 ,
- ;
- 15.2.2
- 2 ;
- 15.2.3 the Vehicle is lost or damaged beyond repair;
- 15.2.4
- ;
- 15.2.5
- ;
- 15.2.6 ;
- ;
- ;
- 15.3.
- 15.4. When an Event of Default occurs:
- 15.4.1 this Lease terminates automatically;
- 15.4.2 the Lessee must inform the Lessor immediately;
- 15.4.3 -
- ;

16. Consequences of termination

16.1.

;

16.2.

16.3. all obligations of the Guarantor remain unaffected.

16.4.

16.5.

16.6.

16.7.

17. Assignment

17.1.

17.2.

[
].

17.3.

OR

17.4.

17.5.

18. Indemnity

18.1.

18.2. his breach of this agreement;

18.3.

18.4.

18.5.

19. Miscellaneous matters

19.1.

19.2.

19.3.

19.4.

19.5.

19.6.

19.7.

It shall be deemed to have been delivered:

;

72

;

- : 24

19.8. []

19.9. ()

19.10. 1999

19.11. []

19.12. []

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.

[] []
/ []

OR

Signed by [personal name] the Lessee

Signed by [personal name] the Guarantor

Schedule 1: The Vehicle

[Enter description and specifications of the vehicle]

Make:

Model:

Year of Manufacture:

Colour:

Registered number:

[Remainder of specification]

Schedule 2: The Lease Rentals

[,]

Explanatory notes:

Vehicle lease agreement: business to business

General notes:

The hire of a vehicle is exempt from the Consumer Contracts (ICAC) Regulations 2013, so you can use this agreement for leasing to a “consumer” too. We have provided a comprehensive :

However, while leasing to consumer, do not use this document for a term of more than three months. Otherwise you will be subject to the Consumer Credit Act 1974.

However, if you want to lease for a period longer than three months, the CCA will not apply if the lease is for a fixed term no longer than three months, but allowed to run over at the expiry of the term. Despite ,

Paragraph specific notes:

Drafting notes 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

By all means use the search/replace function in your word processor to change them. If you do change a defined term, make sure it

Remember too, that when a word or phrase is defined, the defined meaning capitalised, takes precedence over the

2. Interpretation

Leave these items in place unless there is a good reason to edit or remove. Each of these items has been carefully considered in the context of this

agreement and has been included for a purpose.

3. Lessee's warranties for authority

This paragraph prevents the lessee from saying later that it was not aware of some circumstance detrimental to the lessor or which may cause a breach of the lease. It is more important when

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

4. Lessor's warranties

It is common for a lessor to give warranty of the title and condition of the equipment that is subject matter of the lease. However, a wise lessee will insist on some warranties by the lessor.

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.

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

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

(").

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 ,

8. Delivery and possession

We have no comments.

9. Lessee's obligations

A set of commercial provisions. The level to which usage, repairs and maintenance must be maintained is usually to be as it is on the date of the lease. We have added provisions

You may edit as you require.

10. Insurance

Entirely optional and self-

11. Taxes and permits

Small but important points. Delete if inapplicable.

12. Buy out of Lease

The question of buy-out is entirely optional. The proposals in this document provide for a buyout during the entire term - which would presumably at full cost, or alternatively a purchase at

13. 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 lease

The guarantee provisions in this

14. Disclaimers and limitation of liability

We have given you very strong protection. Elsewhere we have specified concisely

The law is complicated and much depends on the facts of each case.

You will see that we have also included in the provision for

15. Default by the Lessee and termination

The problem with any default provision is that the lessor is unlikely

It is important for the lessor to step in to terminate the lease if something should go

What event you

16. Consequences of termination

These provisions simply tie

17. Assignment

This paragraph

18. Indemnity

We suggest no edits.

19. Miscellaneous matters

A number of special points. We have identified each of these as important to

End of notes