

UK-COMbel06

## Office equipment lease agreement

**The Lessor:**      [\[Lessor\]](#)

**and**

**The Lessee:**      [\[Lessee\]](#)

**Date:**              [\[Date\]](#)

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Date

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**The Date of this Agreement is:** [Date]

**The Lessor is:** [name]

**of** [address]

**The Lessee is:** [name]

**of** [address]

**It is now agreed as follows:**

## **1. Interpretation**

The following words shall have the meanings assigned to them unless

"Confidential Information" means all information about the equipment, mainly related to computer software that is supplied by the Lessor to the Lessee, which may prove to be harmful for the business of manufacturer if

"Initial Lease Period" means the term of the Lease

"Intellectual Property" means intellectual property of the manufacturer with respect to the IT

"Lease Period" mean the Initial

"Lease Rentals" means the amounts by way of rental for the use

"Office Equipment" means subject matter

"Subsequent Lease Period" means a period after the expiry of the

"Supplier" means the supplier

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

85 %

## 2. Lease

2.1. This Lease Agreement

2.2. The Lessor leases to the Lessee and the Lessee agrees to take

2.3. The Lessee agrees to pay the

OR

2.4. Within seven days from the date of this Agreement,

[--]

## 3. Lease Term

3.1. The Initial Lease Period shall [ ]

3.2. Each subsequent Lease Period shall be for a further [ ]

3.3. This Lease shall continue in full force

3.4. 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

[ 10 ] %

## 4. Payment and Accounts

4.1. All payments to be made by

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

4.3. If any sum payable is not paid when due, the Lessee shall pay to the Lessor interest

[ 10 %] [ / ]

## 5. Security

The Lessee shall

:

A security amount of [--] for any damage

## **6. Delivery**

- 6.1. Immediately upon delivery of Office Equipment, the Lessee
- 6.2. The Lessee shall obtain delivery of the Office Equipment from
- 6.3. The transportation expenses for
- 6.4. In the event that the Lessor cannot deliver the Office Equipment to the
- 6.5. In the event that there is any defect in the Office Equipment, the Lessee shall immediately

48

## **7. Use and maintenance**

- 7.1. The Lessee may
- 7.2. The Office Equipment shall [ ].
- 7.3. The Lessee shall ensure that the Office Equipment
- 7.4. The Lessee shall keep the Office Equipment in good repair, condition
- 7.5. The Lessee shall not remove or alter any component of the Office

7.6. The Lessee shall maintain accurate

7.7. The Lessee shall not sell, underlet,

7.8. The Lessee may use  
[--]

## **8. Insurance**

8.1. The Lessee shall at its own cost keep

8.2. The Lessee shall ensure

8.3. The Lessee shall pay all insurance premiums punctually

## **9. Taxes**

9.1. The Lessee shall keep

9.2. The Lessee shall pay and discharge all

## **10. Warranties and Exclusions**

10.1. The Lessor shall, at the cost and expense

10.2. The Lessee recognises that the Office Equipment is acquired by the  
Lessor

10.3. All repairs and replacements of the parts

## 11. Return and Buy Back

At any time during the Lease Period the Lessee shall have the option to buy the

£ [ ]

11.1. Deliver the Office Equipment in good repair and

[ ]

OR

11.2. At the Lessor's request, sell the Office

11.3. Upon performance of any of the

## 12. Defaults and Termination

12.1.

12.2.

12.2.1

12.2.2



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12.10.

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## 13. Consequences of Termination

13.1.

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13.1.1 all arrears of Lease Rentals;

13.1.2

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13.1.3

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13.2.

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13.3.

## **14. Assignment**

14.1.

14.2.

## **15. Inspection**

15.1.

15.2.

## **16. Intellectual property rights (for IT Equipment)**

16.1.

16.2.

## 17. Confidentiality (for IT Equipment)

17.1.

17.2.

## 18. General

18.1.

18.2.

18.3.

18.4.

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(  
) 1999 .

18.5. -

18.6. [ / / ].  
[ / / ]  
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18.7. .

## 19. Notices

19.1. 72 24 .

19.2. -  
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48 -  
.[ -  
, ]

Signed by or for the Lessor by [\[name\]](#) (who certifies that he has proper authority to sign)

**Signature** .....

Witness:                      Signature:

Name:

Address

Signed by or for the Lessee by [\[name\]](#) (who certifies that he has proper authority to sign)

**Signature:** .....

Witness:                      Signature:

Name:

Address

## **Schedule A: the office equipment**

## **Schedule B: the lease rentals**



## Explanatory notes:

### Office equipment lease agreement

## General notes:

1. Although the manufacturer of Office Equipment may not be party to such agreements, but there is always some sought of indirect involvement of the manufacturer as well? There are certain provisions in the agreement that are directly related to the rights of the manufacturer, like complete protection of intellectual property rights (in case the subject matter is )  
.  
1.1. The manufacturer can be a party only when it directly leases
2. This template is suitable for the lease of any office equipment like computer hardware, office furniture or any technological equipment  
.
3. It makes no difference to the agreement if Lessor or lessee is company or  
.
4. This document is designed to cover virtually all the eventualities that are important in a lease agreement for any office equipment. But there is little statutory interference in a negotiation of this nature. You may  
.

## Paragraph specific notes:

Note: numbering refers to paragraph numbers.

- 2 Provides alternatives for payment of lease rentals. For Lessor, it is obviously best to take the full payment in advance. In many cases however, the lease mechanism has been chosen precisely because it permits the lessee to make payments spread over a period of time. The lessee may not object to the full payment in advance as long as he is in possession of the office equipment and the parties are complying the terms of this agreement.
- 3 The initial lease period and subsequent lease period paragraph should be completed according to precise arrangement between the Parties.

- 5 In the case of most lease arrangements, the Lessor views the transaction as a financial deal at low risk. Where any feature of the deal might increase the Lessor's risk, he can reduce it by a provision that the lessee must provide additional security. It is not essential to the agreement, but it does provide very positive protection to the Lessor.

It is a matter of negotiation as to whether security is to be given, and, if so, what form it should take. It may be appropriate to take security in the case of certain specific categories of equipment and not for others; or where the parties are in different countries; or

- 6.4 Protects the Lessee from non-delivery once he has made an advance payment.
- 7.4 Timely maintenance and servicing of office equipment from a service provider other than authorised agent of the manufacturer may render the warranty of office equipment void, which can prove to be an expensive affair to the Lessor. Therefore, the lessee should get the equipment serviced only from authorised agent of the manufacturer.
- 7.8 The number of hours for usage of the equipment should be completed as per specifications of the manufacturer.
- 11 The office equipment may become so much user friendly for the Lessee that even after expiry of lease term, it may wish to extend the lease period or rather may purchase the entire equipment from the Lessor. So the option to purchase the equipment should be there but it is of course subject to discretion of the Lessor.

The purchase amount

- 12.2 States the independent circumstances under which an "event of default" takes place. The conditions creating an event of default form a very crucial and important aspect of this agreement. If lessee performs any act, which may be defined as an event of default, the Lessor shall have full right to immediately terminate the agreement.

- 13 Provides a formula for financial recovery of all cost by the Lessor and adjustment of security amount deposited by the lessee at the expiry of lease period.
- 15 In order to protect rights and even obligations of the Lessor as well as of the manufacturer, the Lessor should have right to inspect the office equipment after regular intervals. But Lessor should not affect business of lessee while inspecting the equipment.
- 16 Since the subject matter is office equipment, support software (for It equipment) may also be provided by the Lessor to operate the equipment. The lessee should use its best endeavors to protect the intellectual property rights of the manufacturer and it should not in any manner perform any illegal operations that may prove to be harmful to the manufacturer. The Lessor can even terminate the agreement if the lessee fails to protect intellectual property rights of the manufacturer.

## End of notes