

LEASE NUMBER

EQUIPMENT LEASE

LESSEE	SUPPLIER/MANUFACTURER
NAME:	NAME:
ADDRESS:	ADDRESS:
PHONE:	PHONE:
CONTACT:	SALESMAN:

EQUIPMENT LEASED

QTY	ITEM	MODEL #	SERIAL #	PRICE
THIS LEASE: __ DOES __ DOES NOT INCLUDE MAINTENANCE SERVICES.			TOTAL LIST	
LOCATION OF EQUIPMENT: STREET ADDRESS:			FEDERAL EXCISE TAX (IF ANY)	
			TRANSPORTATIO N (IF ANY)	
			SALES TAX	
CITY: STATE: ZIP:			LESS TRADE IN (IF ANY)	
			TOTAL COST	

TERMS OF PAYMENT	PRE-PAID RENTAL	TERMS OF PAYMENT
MONTHLY RENTAL: \$ _____ TAX: _____ TOTAL MONTHLY PAYMENTS: \$ _____	MONTHS IN ADVANCE:	INITIAL TERMS OF LEASE (NO. OF PAYMENTS):
PAYMENTS WILL BE MADE: MONTHLY		NO. OF RENT PAYMENTS:

The undersigned agree to all terms and conditions set forth above and on the following pages, and in witness thereof hereby execute this lease.

DATE: _____
LESSOR: _____

DATE: _____
NAME OF LESSEEE (full legal name): _____

BY: _____

BY: _____ TITLE: _____

ATTESTOR WITNESS: _____

PERSONAL GUARANTOR: _____

WITNESS: _____

TERMS AND CONDITIONS OF LEASE

1. LEASE. Lessee hereby leases from lessor, and lessor leases to lessee, the personal property described above and in any schedule made a part hereof by the parties hereto (herein called "equipment").
2. SELECTION OF EQUIPMENT. Lessee has requested equipment of the type and quantity specified above and has selected the supplier named above.
Lessor agrees to order such equipment from said supplier, but shall not be liable for specific performance of this lease or for damages if for any reason the supplier delays or fails to fill the order. Lessee shall accept such equipment if delivered in good repair, and hereby authorizes lessor to add to this lease the serial number of each item of equipment so delivered. Any delay in such delivery shall not affect the validity of this lease.
3. ERRORS IN ESTIMATED COST. As used herein, "actual cost" means the cost to lessor of purchasing and delivering the equipment to lessee, including taxes, transportation charges and other charges. The amount of each rent payment, the pre-paid rent, and the renewal rental initially set forth above are based on the total cost initially set forth above, which is an estimate, and shall each of the adjusted proportionally if the actual cost of the equipment differs from said estimate. Lessee hereby authorizes lessor to correct the figures set forth above when the actual cost is now, and to add to the amount of each rent payment any sales tax that may be imposed on or measured by the rent payments.
4. WARRANTIES. Lessor will request the supplier to authorize lessee to enforce in its own name all warranties, agreements or representations, if any, which may be made by the supplier to lessee or lessor, but lessor itself makes no express or implied warranties as to any matter whatsoever, including, without limitation, the condition of equipment, its merchantability or its fitness for any particular purpose. No defect or unfitness of the equipment shall relieve lessee of the obligation to pay rent or of any other obligation under this lease.
5. INITIAL TERM. The initial term of this lease commences upon the execution hereof by lessor and ends upon the expiration of the number of months specified above.
6. RENT. Lessee agrees to pay during the initial term of this lease to rent equal to the amount of each rental payment as specified above multiplied by the number of such payments as specified above. The prepayment of rent as specified above is due and payable upon signing of this lease. The first regular rental payment is due and payable thirty (30) days from date of the signing of the lease. All rent shall be paid to lessor at its address set forth above, or as otherwise directed by lessor or his assignees in writing.
7. PRE-PAID RENT. Shall not apply to cure any default of lessee in the monthly rental payments.
8. RENEWAL. After its initial term this lease may be renewed upon agreement of the parties.
9. LOCATION. The equipment shall be delivered and thereafter kept at the location specified above or if none is specified, at lessee's address as set forth above, and shall not be removed there from without lessor's prior written consent. Lessor shall have the right to inspect the equipment without notice during lessee's business hours.
10. NOTICE OF DEFECTS. Unless lessee gives lessor written notice of each defect or other proper objection to an item of equipment within five (5) business days after receipt thereof, it shall be conclusively presumed, as between lessee and lessor, that the item was delivered in good repair and that lessee accepts it as an item of equipment described in this lease.
11. USE. Lessee shall use the equipment in a careful manner and shall comply with all laws relating to its possession, use or maintenance. Lessee is responsible for purchase of all supplies and shall use only supplies approved by lessor in order to assure the safe operation of the equipment.
12. LABELS. If lessor supplies lessee with labels stating that the equipment is owned by lessor, lessee shall affix and keep the same upon a prominent place on each item of equipment.
13. REPAIRS. Lessee, at its expense, shall keep the equipment in good repair and furnish all parts, mechanisms and devices required therefor, unless maintenance services are included in the price and noted as such herein. If included, lessee shall be responsible only for cleaning.
14. ALTERATIONS. Lessee shall not make any alterations, additions or improvements to the equipment without lessor's prior written consent. All conditions and improvements made to the equipment shall belong to lessor.
15. SURRENDER. Upon the expiration or earlier termination of this lease, lessee, at its expense, shall return the equipment in good repair, ordinary wear and tear resulting from proper use thereof alone excepted, by delivering it, packed and ready for shipment, to such place or carrier as lessor may specify.
16. LOSS AND DAMAGE. Lessee shall bear the entire risk of loss, theft, damage or destruction of the equipment from any cause whatsoever, and no loss, theft, damage or destruction of the equipment shall relieve lessee of the obligation to pay rent or of any other obligation under this lease.

In the event of damage to any item of equipment, lessee shall immediately notify lessor. If lessor determines that any item of equipment is lost, stolen, destroyed or damaged beyond repair, lessee at the option of lessor shall:

- (a) Replace the same with the like equipment in good repair, or
- (b) Pay lessor in cash all of the following:
 - (i) all amounts then owed by lessee to lessor under this lease,
 - (ii) an amount equal to ten percent (10%) of the actual cost of said item, and
 - (iii) the unpaid balance of the total rent for the initial term of this lease attributable to said item. Upon lessor's receipt of such payment, lessee shall be entitled to whatever interest lessor may have in said item, in its then condition and location, without warranty expressed or implied. The parties hereto agree that the sum of the amounts numbered (ii) and (iii) will equal the fair value of said item on the date of such loss, theft, damage or destruction.

17. INSURANCE; LIENS; TAXES. Lessee shall provide and maintain insurance against loss, theft, damage or destruction of the equipment in an amount not less than the total rent payable here under, with loss payable to lessor. Each policy shall expressly provide that said insurance as to lessor and its assigns shall not be invalidated by any act of omission or neglect of lessee. Lessor may apply the proceeds of said insurance to replace or repair the equipment and/or to satisfy lessee's obligations hereunder. At lessor's request, lessee shall furnish proof of said insurance. Lessee shall keep the equipment free and clear of all levies, liens and encumbrances. Lessee shall pay all charges and taxes (local state and federal) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the equipment, excluding however, all taxes on or measured by lessor's income. If lessee fails to procure or maintain said insurance or to pay said charges and taxes, lessor shall have the right, but shall not be obligated, to effect such insurance, or pay said charges and taxes. In that event, lessee shall repay to lessor the cost thereof with the next payment of rent.

18. INDEMNITY. Lessee shall indemnify lessor against and hold lessor harmless from, any and all claims, actions, proceedings, expenses, damages and liabilities, including attorneys' fees, arising in connection with the equipment, including, without limitation, its manufacture, selection, purchase, delivery, possession, use, operation or return and the recovery of claims under insurance policies therein.

19. ASSIGNMENT. Without lessor's prior written consent, lessee shall not:

- (a) assign, transfer, pledge, hypothecate or otherwise dispose of this lease or any interest therein, or
- (b) sublet or lend the equipment or permit it to be used by anyone other than lessee or lessee's employees.

Lessor may assign this lease and/or mortgage the equipment, in whole or in part, without notice to lessee, and its assignee or mortgagee may reassign this lease and/or such mortgage, without notice to lessee. Each such assignee and/or mortgagee shall have all of the rights but none of the obligations of lessor under this lease. Lessee shall recognize each such assignment and/or mortgage and shall not assert against the assignee and/or mortgagee any defense, counterclaim, or set-off that lessee may have against lessor.

Subject to the foregoing this lease insures to the benefit of and is binding upon the heirs, legatees, personal representatives, survivors and assigns of the parties hereto.

20. LATE CHARGES. Should lessee fail to pay any part of the rent herein reserved within five (5) days after due date thereof, lessee shall pay unto lessor a late charge equal to five (5) percent of the payment due with a minimum amount of two dollars (\$2.00) for each month the delinquency continues. It is expressly understood that the charge herein is not an interest charge, but a charge to cover the additional expenses involved in such delinquency.

21. DEFAULT. If lessee fails to pay any rent or other amount herein provided within five (5) days after the same is due and payable, or if lessee fails to perform any other provision hereof within five (5) days after lessor shall have demanded in writing performance thereof, or if any proceeding in bankruptcy, receivership or insolvency shall be commenced by or against lessee or its property, or if lessee makes any assignment for the benefit of its creditors, lessor shall have the right but shall not be obligated, to exercise any one or more of the following remedies:

- (a) to sue for and recover all rents and other amount then due or thereafter accruing under this lease;
- (b) to take possession of any or all of the equipment, wherever it may be located, without demand or notice, without any court order or other process of law, and without incurring any liability to lessee for any damages occasioned by such taking of possession;
- (c) to sell any or all of the equipment at public or private sale for cash or on credit and to recover from lessee all costs of taking possession, storing, repairing and selling the equipment, and amount equal to ten percent (10%) of the actual cost to lessor of the equipment sold, and the unpaid balance of the total rent for the initial term of this lease attributable to the equipment sold, less the net proceeds of such sale;
- (d) to terminate this lease as to any or all items of equipment;

- (e) to recover from lessee as to each item subject to any or all items of equipment, to recover from lessee as to each item subject to said termination the worth at the time of such termination, of the excess, if any of the amount of rent reserved herein for said item for the balance of the term here of over the then reasonable rental value of said item for the same period of time;
- (f) to pursue any other remedy now or hereafter existing at law or in equity. Notwithstanding any such action that lessor may take, including taking possession of any or all of the equipment, lessee shall remain liable for the full performance of all its obligations hereunder provided, however, that if lessor in writing terminates this lease, as to any item of equipment, lessee shall not be liable for rent in respect of such item accruing after the date of such termination. In addition to the foregoing, lessee shall pay lessor all costs and expenses, including reasonable attorneys' fees incurred by lessor in exercising any of its rights or remedies hereunder.

22. NOTICES. Any written notice or demand under this agreement may be given to a party by mailing it to the party at its address set forth above, or at such address as the party may provide in writing from time to time. Notice or demand so mailed shall be effective when deposited in the United States mail, duly addressed and with post age prepaid.

23. MULTIPLE LESSEES. If more than one lessee is named in this lease, the liability of each shall be joint and several.

24. CHOICE OF LAW. This lease shall be governed by and construed in accordance with the law of the State of _____.

25. OWNERSHIP. The equipment is, and shall at all times remain, the property of lessor, and lessee shall have no right, title or interest herein or there to except as expressly set forth in this lease. Lessee shall promptly comply with Lessor requests for financial statements and further assurances of lessor's ownership and security interest on said equipment.

26. ENTIRE AGREEMENT; WAIVER. This instrument constitutes the entire agreement between lessor and lessee. No agent or employee of the supplier is authorized to bind lessor to this lease, to waive or alter any term or conditions printed herein or add any provision hereto. Except as provided in paragraph 3 hereof, a provision may be added hereto or a provision hereof may be altered or varied only by a writing signed and made a part hereof by an authorized officer of lessor. Waiver by lessor of any provision hereof in one instance shall not constitute a waiver as to any other instance.