

Sample Equipment Lease

[Online Equipment Lease \\$13.99 \(free trial\)—click here](#)

EQUIPMENT LEASE AGREEMENT

This EQUIPMENT LEASE AGREEMENT is hereby entered into on this ____ day of January, 2006 between WALTER JONES, a resident of the British Virgin Islands ("Lessor") and BOB SMITH, LLC, an LLC organized under the laws of the State of California and OTHER GUY, INC., a Corporation organized under the laws of the State of California ("Lessee"). Lessor and Lessee shall collectively be known herein as "the Parties".

WITNESSETH:

WHEREAS, Lessor is the owner of certain tangible personal property further described below and is desirous of leasing same to Lessee on the terms and under the conditions as contained herein; and

WHEREAS, Lessee is desirous of leasing the certain tangible personal property further described below from Lessor on the terms and under the conditions as contained herein;

WHEREFORE, for good consideration and mutual promises, the Parties, intending to be legal bound hereby, agree and contract as follows:

1. **Leased Equipment.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the following described equipment (the "Leased Equipment"):
 - A. backhoe
 - B. frontend loader
 - C. pickup truck
2. **Description of Services:** The following services are to be provided by Lessor to Lessee under this equipment lease agreement: setup equipment at lessee's place of business no later than 30 days after the date of execution of this contract.
3. **Lease Term:** This lease agreement shall be for a term of **48** months, commencing on **1-15-2006**. At the end of this lease term, Lessee shall either sign a new equipment lease agreement with Lessor or surrender the Leased Equipment to Lessor.
4. **Lease Payments.** Lessee shall pay Lessor \$1000.00 monthly for the duration of the lease. Under this lease agreement, a total of 48 payments in the amount of \$1000.00 shall be due to Lessor from Lessee. Lessee shall make the first lease payment on **1-15-2006** and continue making lease payments every month with payment due on the same day of the month as the first payment.
 - ◆ **Lessor's Directions for Delivery of Lease Payments:** Lessee shall make all payments due to Lessor under this agreement to the following person or entity at the address listed below:
Walter Jones, Agent
12312 Campanias Way
Oxnard, CA
Lessor may hereafter alter these directions to Lessee for delivery of lease payments by serving Lessee with written notice containing new payment instructions.

5. **Late Fee.** Should Lessee deliver any lease payment to Lessor more than seven (7) days after the due date, Lessee shall incur a \$50.00 late fee payable to Lessor.
6. **Interest Upon Late Lease Payment.** Should Lessee deliver any lease payment to Lessor more than seven (7) days after the due date, Lessee shall be charge 8% interest upon the outstanding balance of the late lease payment from the due date until payment is made. Interest is to be compounded annually.
7. **Deposit.** With the execution of this equipment lease agreement, Lessee is to make a deposit of \$2000 to be held by Lessor until the termination of the lease at which time said deposit shall be setoff against any amount owed by Lessee to Lessor with the balance, if any, promptly returned to Lessee by Lessor. The Lessor, in its discretion, may apply the deposit against any lease payment more than seven (7) days late and any any penalty due to late payment.
8. **Delivery of Leased Equipment:** Lessee is to take delivery of the leased equipment on or before 01-15-2006. It is Lessor's duty to make delivery of the Leased Equipment to Lessee at the following location on or before the delivery date: Bob Smith, LLC offices--Los Angeles, CA.
9. **Restrictions Upon Use.** Lessee shall use the Leased Equipment in a careful and proper manner and shall comply with and conform to all national, state, municipal, police and other laws, ordinances and regulations in any way relating to the possession, use or maintenance of the Leased Equipment. Also, Lessee shall be prohibited from driving the lease pickup truck on other than paved surfaces.
10. **Repairs.** Lessee, at its own cost and expense, shall keep the Equipment in good repair, condition and working order and shall furnish any and all parts, mechanisms and devices required to keep the Leased Equipment in good mechanical working order.
11. **Warranty.** LESSOR DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. If a warranty exists from the manufacturer of the Leased Equipment, Lessor passes along its rights any under unexpired manufacturer's warranty to Lessee.
12. **Loss and Damage.** Lessee hereby assumes and shall bear the entire risk of loss and damage to the Equipment from any and every cause whatsoever. No loss or damage to the Equipment or any part thereof shall impair any obligation of Lessee under this Lease which shall continue in full force and effect through the term of the Lease. In the event of loss or damage of any kind whatever to the Equipment, Lessee shall, at Lessor's option:
 - (i) Place the same in good repair, condition and working order; or
 - (ii) Replace the same with like equipment in good repair, condition and working order; or
 - (iii) Pay to Lessor the replacement cost of the Equipment.
13. **Insurance.** Lessee shall procure and continuously maintain and pay for all risk insurance against loss of and damage to the Leased Equipment in an amount not less than \$85,000, naming Lessor as the loss payee. Lessee shall provide documentation of said insurance coverage to Lessor upon request. The insurance shall be in such form and with such company or companies as shall be reasonably acceptable to Lessor. Lessee shall provide at least thirty (30) days advance written notice to Lessor of any cancellation, change or modification of insurance coverage. In case of failure of Lessee to procure or maintain said insurance, Lessor shall have the right, but shall not be obligated, to effect such insurance. In that event, the cost thereof shall be repayable to Lessor by Lessee with the next due lease payment plus interest at 8% per annum from the date Lessor paid for same.
14. **Indemnity of Lessor against third-party claims.** Lessee shall indemnify Lessor against, and hold Lessor harmless from, any and all actions, suits, proceedings, costs, expenses, damages and liabilities, including reasonable attorney's fees and costs, arising out of third-party claims against Lessor that are in any way connected to Lessee's use or possession of the Leased Equipment.
15. **Taxes and Fees.** Lessee shall pay when due all taxes and fees imposed by government agencies relating to the Lease Equipment. If Lessor has paid any tax or fine relative to the Lease Equipment, Lessee agrees to reimburse Lessor upon demand for the amount of taxes so paid plus interest at 8% per annum from the date Lessor paid for same.
16. **Surrender.** Upon the expiration or early termination of this Lease, Lessee shall return the Leased

Equipment to Lessor in good repair, condition and working order, ordinary wear and tear resulting from proper use thereof alone excepted, by delivering the Leased Equipment at Lessee's cost and expense to such place as Lessor shall specify within a reasonable distance of the location same was delivered to Lessee. Should the Lessee surrender the Leased Equipment in less than good repair, condition, and working order, Lessee shall be liable to Lessor for all expenses incurred in bringing the Leased Equipment into good repair, condition, and working order.

17. **Default.** If Lessee fails to make any lease payment or pay any other amount herein provided for within ten (10) days after same is due to Lessor, or if Lessee fails to observe, keep or perform any other provision of this Lease required to be observed, kept or performed by Lessee, Lessor may give written notice to Lessee of the default. Lessee shall then have ten (10) days from the date of receipt of notice from Lessor to cure the default ("Cure Period") and, if the default is not cured, Lessor shall then have the right to exercise any one or more of the following remedies:

(i) To sue Lessee for all lease payments, interest, penalties, taxes, or other amounts payable under this lease, then accrued or thereafter accruing.

(ii) To take possession of the Leased Equipment, without demand or notice, wherever same may be located, without any court order or other process of law. Lessee hereby waives any and all damages occasioned by such taking of possession.

(iii) To terminate this Lease.

(iv) To pursue any other remedy at law or in equity.

Should Lessor elect to repossess the Leased Equipment, Lessee shall be liable to Lessor for all costs and expenses associated with such repossession. If the Lessor takes possession of the Leased Equipment prior to the expiration of the Leased Term, Lessee shall continue to be liable for the contractual lease payments due under this equipment lease agreement. Lessor shall make a good-faith effort to re-lease or sell the Leased Equipment upon taking possession.

A. **Acceleration of Lease Payments.** Should Lessee default, fail to cure the default prior to expiration of the Cure Period, and Lessor take possession of the Leased Equipment prior to expiration of the Lease Term (or has made a written demand upon Lessee for return of the leased equipment and Lessee has failed to comply), all payments due to Lessor during the life of this equipment lease agreement shall be accelerated, thus, becoming immediately due and payable by Lessee to Lessor as of the date of expiration of the Cure Period. This shall be known as the "Acceleration Clause".

B. **Present Value Discount of Accelerated Lease Payments.** Should the Acceleration Clause apply, the amount payable by Lessee under the Acceleration Clause shall be discounted from the future due date of the lease payment (as originally required under the lease agreement) to the present value at the date of collection by Lessor using a discount rate of 8%.

C. **Re-Lease or Sale of Leased Equipment After Repossession.** Should Lessor find a new lessee or buyer of the Leased Equipment prior to the expiration of the Lease Term, any payments received from the new lessee or buyer during the Lease Term shall be first netted against Lessor's expenses incurred effecting the re-rental or sale of the Lease Equipment and, then, offset against amounts owed by Lessee to Lessor under this equipment lease agreement. Should the amount collected by Lessor from any new lessee or buyer of the Leased Equipment (after net of re-leasing or sales expenses) exceed the amount then owed by Lessee to Lessor, the excess (if any) shall be refunded to Lessee. Any amounts received by Lessor through re-lease or sale of the Leased Equipment after expiration of the Lease Term shall not be offset against amounts owed by Lessee to Lessor under this lease agreement nor otherwise refunded to Lessee.

All of Lessor's remedies are cumulative, and may be exercised concurrently or separately.

18. **Attorneys Fees and Expenses.** Lessee shall indemnify Lessor for all out-of-pocket expenses, including attorney's fees, incurred by Lessor in enforcing any of its rights under this lease agreement including the taking, holding, reconditioning, preparing for sale or lease, and selling or re-leasing of the Leased Equipment.

19. **Joint and Several Liability.** Both Lessees hereby agree to be jointly and severally liable for any

breach of the terms of this equipment lease.

20. **Bankruptcy.** Neither this Lease nor any interest therein is assignable or transferable by operation of law. If any proceeding under the Bankruptcy Act, as amended, is commenced by or against the Lessee, or if the Lessee is adjudged insolvent, or if Lessee makes any assignment for the benefit of his creditors, or if a writ of attachment or execution is levied on the Equipment and is not released or satisfied within ten (10) days thereafter, or if a receiver is appointed in any proceeding or action to which the Lessee is a party with authority to take possession or control of the Equipment, Lessor shall have and may exercise any one or more of the remedies set forth herein; and this Lease shall, at the option of the Lessor, without notice, immediately terminate and shall not be treated as an asset of Lessee after the exercise of said option.
21. **Ownership.** The Equipment is, and shall at all times be and remain, the sole and exclusive property of Lessor; and the Lessee shall have no right, title or interest therein or thereto except as expressly set forth in this Lease.
22. **Assignment.** Lessee shall not assign its interest in this Lease or in the Leased Equipment without the prior written consent of Lessor. Lessee is to retain possession of the Leased Equipment at all times during the life of this lease agreement except upon demand of surrender by Lessor or repossession by Lessor. Lessor shall have the unilateral right to assign its interest in this lease to a third-party.
23. **Additional Documents.** If Lessor shall so request, Lessee shall execute and deliver to Lessor such documents as Lessor shall deem necessary or desirable for purposes of recording or filing to protect the interest of Lessor in the Equipment including, but not limited to a UCC financing statement.
24. **Notices.** Service of all notices under this Agreement shall be sufficient if given personally or mailed certified, return receipt requested, postage prepaid, at the address hereinafter set forth, or to such address as such party may provide in writing from time to time.
25. **Integration.** This Agreement sets forth the entire agreement between the Parties with regard to the subject matter hereof. All prior agreements, and covenants, express or implied, oral or written, with respect to the subject matter hereof, are hereby superseded by this agreement. This is an integrated agreement.
26. **Severability.** In the event any provision of this Agreement is deemed to be void, invalid, or unenforceable, that provision shall be severed from the remainder of this Agreement so as not to cause the invalidity or unenforceability of the remainder of this Agreement. All remaining provisions of this Agreement shall then continue in full force and effect. If any provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope and breadth permitted by law.
27. **Modification.** Except as otherwise provided in this document, this Agreement may be modified, superseded, or voided only upon the written and signed Agreement of the Parties. Further, the physical destruction or loss of this document shall not be construed as a modification or termination of the agreement contained herein.
28. **Acknowledgements.** Each party acknowledges that he or she has had an adequate opportunity to read and study this Agreement, to consider it, to consult with attorneys if he or she has so desired.
29. **Exclusive Jurisdiction for Suit.** The Parties, by entering into this agreement, submit to personal jurisdiction in Los Angeles, CA for adjudication of any disputes and/or claims between the parties under this agreement. Furthermore, the parties hereby agree that the courts of Los Angeles, CA shall have **exclusive** jurisdiction over any disputes between the parties relative to this agreement, whether said dispute sounds in contract, tort, or other areas of the law.
30. **State Law.** This Agreement shall be construed and enforced under the laws of the State of Arizona.

IN WITNESS WHEREOF, and acknowledging acceptance and agreement to the foregoing, LESSOR and LESSEE affix their signatures hereto as of the date written on page 1 hereof.

LESSOR

LESSEE

Walter Jones

Bob Smith, LLC

By:

Title:

Other Guy, Inc.

By:

Title:

(Note: This page is **not** to be attached to your Lease Agreement.)

INSTRUCTIONS REGARDING EXECUTION OF YOUR EQUIPMENT LEASE

- A. Please read and review the entire contract carefully.
- B. We recommend that you execute an original of this Agreement for each party who signed.
- C. If you are signing this contract on behalf of an organization, please print your name and your title within the organization (i.e., "president") below the signature line and sign your name to the document.
- D. What if I decide to make changes to my document? We will keep your responses to the online questionnaire in our database **for 60 days after the date of purchase**. During this time, you may go to the User Administration section of our site to call up your form questionnaire and make changes—the URL is <https://www.medlawplus.com/user/> . You shall need your "user name" and "password" to re-enter the system. Once in the User Administration area, click on the text link to your form questionnaire which is located on the upper-left of the page. Make the desired changes to your responses in the questionnaire and submit to create a revised document. If you have problems calling up your old data, email us at administrator@medlawplus.com. We do our best to give a prompt response to all inquiries, usually within a few hours. NOTE: Upon registration, our system emailed to you our record of your "user name" and "password".

DISCLAIMER

The above is provided for informational purposes only and is NOT to be relied upon as legal advice. This service is not a substitute for the advice of an attorney and we encourage users to have all documents created on our site reviewed by an attorney. No attorney-client relationship is established by use of our online legal forms system and the user is not to rely upon any information found anywhere on our site. **THESE FORMS ARE SOLD ON AN "AS IS" BASIS WITH NO WARRANTIES OR GUARANTIES.** If you wish personal assistance in deciding whether the document found on our site is right for you or desire representations and warranties upon the legality of the document you are purchasing in the jurisdiction you will be using it, contact an attorney licensed to practice law in your state.