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## **HIRE PURCHASE AGREEMENT**

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DATED: \_\_\_\_\_ 20\_\_

**BETWEEN**

ABC Company Pty Ltd (the “Owner”)

**AND**

John's Mowing Services (the “Hirer”)

# COMMERCIAL HIRE PURCHASE AGREEMENT

DATED THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_\_.

## THE PARTIES

**BETWEEN:** ABC Company Pty Ltd ACN 123 654 789 of 1 Smith St SYDNEY, NSW 2000  
(the "Owner")

**AND** John's Mowing Services ABN 22 778 887 789 of 1 Cattle St AUBURN, NSW  
2898 (the "Hirer")

## THE PARTIES AGREE AS FOLLOWS:

References to defined Terms are to items set out in the Schedule.

### 1. OWNERSHIP, HIRE & DELIVERY

- 1.1 The Owner has title to the Goods and the Owner has agreed to hire the Goods to the Hirer and the Hirer has agreed to hire the Goods from the Owner as of the Hire Date on these terms.
- 1.2 The Owner will not assign, transfer, charge or otherwise deal with its title to the Goods without the prior written consent of the Hirer and such consent will not unreasonably be withheld.
- 1.3 The Owner's title to the Goods as at the date of this agreement is not and will not be affected in any way by the terms of this agreement notwithstanding the Hirer's taking possession and/or control of the Goods, the Hirer's management and/or use of the Goods or any temporary attachment of the Goods to land or buildings, subject only to the Hirer's rights as mere bailee of the Goods with the right only to use them according to the terms of this agreement.
- 1.4 The parties acknowledge that the Goods are being hired to the Hirer for the Purpose.
- 1.5 The hire of the Goods will be for the period commencing on the Hire Date and ending at close of business on the Expiry Date.
- 1.6 The Hirer will at its own cost obtain delivery of the Goods and will ensure that the Goods are prepared and ready for use in accordance with the manufacturer's specifications. Uplift of the Goods will constitute delivery to and acceptance by the Hirer of the Goods under this agreement.
- 1.7 The Owner appoints the Hirer as its agent in respect of all matters relating to the ordering, delivery and servicing of the Goods including without limitation doing all such acts as may be necessary to keep the warranties of the supplier and/or manufacturer of the Goods in full force and effect, subject to the following subclause.
- 1.8 Notwithstanding Clause 1.7, the Owner does not assume or acquire any liability for:
  - (a) any failure or delay in acquisition or delivery of the Goods;

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- (b) placing them in good working order;
- (c) for delivery of wrong goods;
- (d) for defects in manufacture or operation of the Goods; or
- (e) loss of or damage to the Goods;

and the Hirer will indemnify the Owner against and hold the Owner harmless from all liabilities that the Owner may incur in connection with any action by the Hirer in the name of or as agent of the Owner.

1.9 (Hirer's Option to Purchase) Provided that no Event of default as set out in Clause 9.1 has occurred and is continuing or has not been waived or remedied, the Hirer may at any time during the term or on the Expiry Date elect to purchase the Goods by paying the Owner the Residual and the balance of Total Rent then outstanding together with all other money then due and payable to the Owner under this agreement whereupon the hiring will end.

1.10 Subject to the Hirer duly and punctually paying the Total Rent and observing and performing its obligations as set out in this agreement, the Hirer will peaceably possess and enjoy the Goods from the Hire Date to and including the Expiry Date without interruption or disturbance from the Owner or any other person lawfully claiming by or from or under the Owner, subject always to the rights of the Owner.

## **2. DEPOSIT AND OTHER PAYMENTS**

2.1 On or prior to accepting delivery of the Goods, the Hirer has agreed to pay the Owner the Deposit.

2.2 The Hirer will pay the Owner the Total Rent by instalment payable as the Instalment Amount on the Instalment Due Dates.

2.3 The Hirer will incur and pay to the Owner interest as set out as the Default Interest Rate on:

- (a) all money due but unpaid by the Hirer under this agreement from the due date of payment to the Owner; and
- (b) all money paid by the Owner in or in connection with the exercise or enforcement of its rights under this agreement from the date of such payment by the Owner to the date of payment to the Owner.

When arrears are paid, the default interest accrued to that date will be included in any such payment.

2.4 All money payable by the Hirer under this agreement will be made free and clear of any and all deductions, set offs or counter-claims.

2.5 All money payable by the Hirer under this agreement will be paid to the bank Account nominated by the Owner or such other account or place as the Owner may direct in writing.

2.6 The Hirer's obligation to pay the Total Rent and all other money payable under this agreement and the Owner's rights in and to all such payments are absolute and unconditional and are not affected by:

- (a) any defect in the Goods;
- (b) the condition, operation or fitness for use of the Goods;
- (c) any damage to or loss of the Goods;
- (d) any lien or other encumbrance over or in respect of the Goods;
- (e) any defect in the Owner's title to the Goods;
- (f) any interruption of or prohibition or other restriction against the Owner's possession, use or operation of the Goods for any reason whatsoever;

and it is the intention of the parties that the Total Rent and other money payable will continue to be payable as provided in this agreement unless the agreement is terminated.

2.7 On the Expiry Date, the Hirer will pay the Owner the Residual payment.

### **3. STORAGE, USE AND MAINTENANCE OF GOODS**

3.1 The Hirer will store, use and maintain the Goods with all due care and diligence and in compliance with the instructions and recommendations of the supplier and/or manufacturer as to storage, use and maintenance.

3.2 The Hirer will, at its own expense, keep and maintain the Goods in proper working order and condition and in good and substantial repair.

3.3 The Hirer will employ only appropriately trained and competent workers and will use recognised industry standards to keep and maintain the Goods at their full capacity for the Purpose.

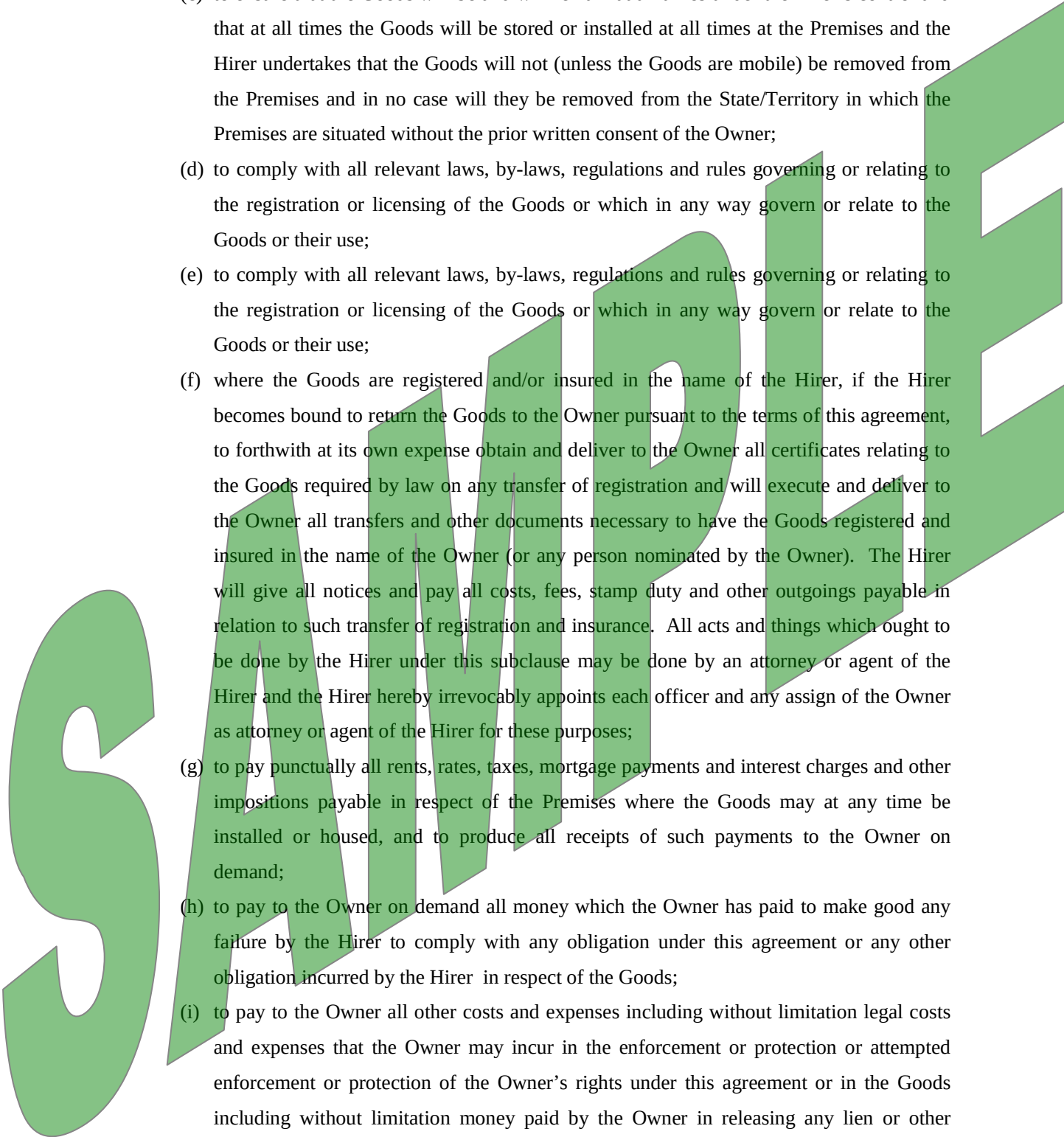
3.4 Subject to this agreement, the Hirer may, without the consent of the Owner, at its own expense make such addition, replacement or alteration to the Goods being in the nature of repair or maintenance which in its reasonable opinion are necessary to comply with its obligations under Clauses 3.1 and 3.2 provided that any such addition, replacement or alteration is of a quality not less than the quality of the Goods or any part thereof which is being altered or replaced, subject to Clause 3.5.

3.5 Notwithstanding Clause 3.4, the Hirer may not without the prior written consent of the Owner make any addition, replacement or alteration of a major nature to the Goods which may lead to a reduction of the value of the Goods. Any accessories, parts, equipment or devices which are installed upon or in the Goods will be deemed to be part of the Goods and will become the property of the Owner and be subject to the terms of this agreement.

### **4. HIRER'S UNDERTAKINGS**

4.1 The Hirer undertakes:

- (a) to make the Goods available for inspection and testing by the Owner or by a person authorised by the Owner on reasonable notice given by the Owner;
- (b) not to do or cause to suffer to be done any act, matter or thing which is likely to endanger the safety or condition of the Goods;

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- (c) to ensure that the Goods will be and will remain at all times under the Hirer's control and that at all times the Goods will be stored or installed at all times at the Premises and the Hirer undertakes that the Goods will not (unless the Goods are mobile) be removed from the Premises and in no case will they be removed from the State/Territory in which the Premises are situated without the prior written consent of the Owner;
  - (d) to comply with all relevant laws, by-laws, regulations and rules governing or relating to the registration or licensing of the Goods or which in any way govern or relate to the Goods or their use;
  - (e) to comply with all relevant laws, by-laws, regulations and rules governing or relating to the registration or licensing of the Goods or which in any way govern or relate to the Goods or their use;
  - (f) where the Goods are registered and/or insured in the name of the Hirer, if the Hirer becomes bound to return the Goods to the Owner pursuant to the terms of this agreement, to forthwith at its own expense obtain and deliver to the Owner all certificates relating to the Goods required by law on any transfer of registration and will execute and deliver to the Owner all transfers and other documents necessary to have the Goods registered and insured in the name of the Owner (or any person nominated by the Owner). The Hirer will give all notices and pay all costs, fees, stamp duty and other outgoings payable in relation to such transfer of registration and insurance. All acts and things which ought to be done by the Hirer under this subclause may be done by an attorney or agent of the Hirer and the Hirer hereby irrevocably appoints each officer and any assign of the Owner as attorney or agent of the Hirer for these purposes;
  - (g) to pay punctually all rents, rates, taxes, mortgage payments and interest charges and other impositions payable in respect of the Premises where the Goods may at any time be installed or housed, and to produce all receipts of such payments to the Owner on demand;
  - (h) to pay to the Owner on demand all money which the Owner has paid to make good any failure by the Hirer to comply with any obligation under this agreement or any other obligation incurred by the Hirer in respect of the Goods;
  - (i) to pay to the Owner all other costs and expenses including without limitation legal costs and expenses that the Owner may incur in the enforcement or protection or attempted enforcement or protection of the Owner's rights under this agreement or in the Goods including without limitation money paid by the Owner in releasing any lien or other encumbrance claimed over the Goods, in dismantling and removing the Goods from any premises and in any repair or renovation to any such premises together with interest in accordance with Clause 2.3;

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