

**THIS AGREEMENT** is made the \_\_\_\_\_ day of \_\_\_\_\_ between **ISOTANK DEPOT SERVICES LIMITED** whose registered office is at **Limerick Road, Dormanstown, Redcar, Cleveland. TS10 5JU.** (the Lessor) (1) and \_\_\_\_\_ (the lessee) (2) under which the lessor agrees to let and the Lessee agrees to lease on the terms and conditions set out below and in the Schedule hereto attached.

For the purpose of this Agreement the period during which the Agreement shall subsist shall be during all times that the goods have not been re-delivered by the Lessee to the Lessor and in any event shall be for the minimum period specified in paragraph 2 of the Schedule.

**The Lessee hereby covenants with the Lessor that:**

- 1 The goods will be inspected within 48 hours of delivery and written notice will be given to the Lessor of any defect or any other proper objection as to its condition. Having served such notice the Lessee will re-deliver the goods to the depot from which the goods were collected at its own expense. Failing such notice being served it shall be conclusively presumed that the goods are complete in good order and condition for which they may be required and in every way satisfactory.
- 2
  - 2.1 The goods shall be maintained and used in accordance with the manufacturers instructions and shall comply with all requirements of law relating to their possession, use and maintenance.
  - 2.2 Acquisition of all licenses, permits and authorisations required by law of any country in which the goods are to be used.
- 3 Access to the goods must be given or procured to be given to any of the Lessors servants or agents at any time for the purposes of inspection, collection or marking up as required.
- 4
  - 4.1 The goods shall be maintained in a safe and sound condition and state of repair. Such Maintenance shall include but not be limited to, the replacement of all worn or damaged parts or components using parts and workmanship equal to the original manufacturers' standard. The goods shall be abrasively cleaned, primed and topcoated in all corroded areas on a routine and as needed basis. Any repairs which fail to meet the Lessors minimum required standard which shall be defined by the repair manuals issued from time to time by the Lessor shall be made good. The removal of all particles, stains and taint from the goods leased herein shall be undertaken prior to re-delivery to the Lessor.
  - 4.2 No alterations, additions or improvements may be made to the goods without prior written authorisation from the Lessor. Any alterations, additions or improvements of whatsoever kind or nature made to the goods shall become the property of the Lessor upon the expiry or earlier termination of this Agreement.
  - 4.3 No alterations or supplementation to the colour, identification marks, Lessors marks, International Trade and Registration Marks shall be made without the prior written approval of the Lessor. The colour and all such marks as herein defined are to be kept in a satisfactory condition and state of repair.

**The Lessor shall be indemnified against all costs and expenses incurred by the Lessor as a result of any failure to meet the repair and maintenance obligations as set out in this paragraph.**

- 5 The goods shall be kept free and clear of all liens and encumbrances.
- 6 Any Value Added Tax, duty, levy or other tax charged or assessed in connection with this Agreement shall forthwith upon demand be paid to the Lessor.
- 7 The goods shall be kept insured by an Insurer approved by the Lessor at all times during the term of this Agreement and the interests of the Lessor must be noted on the policy. The Lessee shall make available for inspection as requested by the Lessor the policy/policies under which the goods are insured together with receipts attesting to the punctual payment of premiums thereon. The following cover is the minimum acceptable to the Lessor:
  - 7.1 All risks cover for physical loss including unexplained or mysterious loss, disappearance or damage to the goods anywhere in the world in an amount equal to the replacement value as defined in the Schedule. Cover is to extend where the agreement has terminated for whatever reason until re-delivery of the goods. Cover must further extend to indemnify the costs of recovery and re-delivery (including levies and duties required to release the goods) of the

goods in the event of abandonment by the lessee. Re-delivery will be deemed to be transportation of the goods to the nearest customary on-hire location of the Insured.

- 7.2 Indemnity against claims made by third parties following accidental bodily injury, illnesses, disease and/or property damage for which the Lessee may be held legally liable including all costs and expenses incurred with the consent of the Insurer in defending such claims and also including liability arising from defects in the goods but excluding the cost of repairing or replacing defective parts to the goods.
- 7.3 If the goods shall be damaged or lost as herein defined then all monies received or receivable in respect of such insurance shall be payable to and be the property of the Lessor.

**In the event that there is a failure to procure or maintain insurance as herein specified for whatever reason the Lessor shall be entitled to effect such insurance or pay such fees, assessments, charges and taxes as the case may be. Every amount so paid shall be immediately repayable to the Lessor upon demand.**

- 8 Rent shall be paid in accordance with the rate as defined in paragraph 3 of the Schedule for the duration of this Agreement.

- 8.1 Such rentals shall be paid without previous demand or deduction.
- 8.2 Such rentals are chargeable from the date that the goods are made available to the Lessee to the time the goods are re-delivered to the Lessor in an undamaged and cleared condition.
- 8.3 Such rentals shall be invoiced monthly in advance and payment is due within 30 days of date of invoice.
- 8.4 In the event of loss of the goods as herein defined, rentals shall continue to be payable until the Lessor is in receipt of the full replacement value of the goods.
- 8.5 Any service charges including handling and transportation costs incurred in connection with payments to the Lessor are for the account of the Lessee.

- 9 Notwithstanding anything herein contained the Lessor may by giving notice in writing determine its obligations under this Agreement in the event that:

- 9.1 There is a default in the punctual payment of sums payable by the Lessee or his bankers.
- 9.2 There is a failure to perform or observe any of the terms and conditions of this Agreement.
- 9.3 The Lessee does or suffers any act whereby the rights of the Lessor or prejudiced or put in jeopardy.
- 9.4 A receiving order in bankruptcy is made against the Lessee; or if the Lessee shall call a meeting of creditors; or permit a Receiver to be appointed over any part of his property; or if he shall execute any assignment for the benefit of or compound with his creditors.
- 9.5 The Lessee shall enter into compulsory or voluntary liquidation or cease trading.
- 9.6 There are any material changes in ownership or control of the Lessee or that any order is made or an effective resolution is passed for the winding up of the Lessee otherwise than for the purpose of amalgamation or reconstruction.

**On service of notice of the termination of this Agreement the Lessor may retake possession of the goods but any such action shall be without prejudice to the rights of the Lessor to recover damages or its loss from the Lessee as herein defined.**

- 10 In the event that this Agreement is determined for any reason whatsoever (other than the expiry of the term of the Agreement) the Lessee shall pay to the Lessor on demand the aggregate of:

- 10.1 All arrears of rent, interest and other monies unpaid but payable under this Agreement (and interest shall continue to accrue and become due as provided for in this Agreement)
- 10.2 The costs reasonably required to restore the goods to their original condition and proper state of repair (fair wear and tear excepted).
- 10.3 The costs of recovery and transport of the goods to the Lessors depots specified herein, such costs to include but not be limited to liens, encumbrances, demurrage and/or storage charges, licences and fees.
- 10.4 The costs of storage of the goods from the date of determination to the date of expiry of the term of the Agreement incurred whilst the goods remain off hire.
- 10.5 Agreed damages in the sum equal to the outstanding value of rental instalments payable under this Agreement but not yet due.

**The said obligations of the Lessee shall not prejudice the further rights of the Lessor to recover damages for any other breach of this Agreement.**

- 11 Should the Lessee fail to pay punctually any sums which may become due and payable under this Agreement the Lessee shall become liable to pay to the Lessor interest on all such overdue payments at the rate of 2% per month accruing on a daily basis.
- 12 The goods shall remain the property of the Lessor and nothing in this Agreement shall be construed as conferring any right to purchase the goods on the Lessee.
- 13 The Lessee shall be entitled to the benefit of any guarantees or warranties which may be given by the manufacturers of the goods or components thereof insofar as such benefit is capable of being transferred to the Lessee. The Lessor gives no warranties either express or implied, statutory or otherwise as to any matter whatsoever including without limitation the description, year of manufacture or condition of the goods, their merchantability or their fitness for any particular purpose.
- 14 The Lessor shall not be liable for any delay in delivery of the goods or any part thereof howsoever caused.
- 15 The Lessee shall be solely responsible for and hold the lessor fully indemnified against any loss, damage, injury or liability occurring in connection with any of the goods or as a result of the use thereof.
- 16 The Lessee shall not assign, transfer or sub-contract this Agreement either in whole or in part either directly or indirectly by operation of law or otherwise or dispose of or deal in the goods or the benefit of this Agreement or any part thereof or his rights or obligations hereunder without the express written consent of the Lessor.
- 17 On expiry of the term of the Agreement or in the event that Clause 9 is invoked the Lessee shall at his own expense which shall include but not be limited to all applicable handling and drop-off charges:
  - 17.1 Repair the goods in accordance with Clause 4 prior to re-delivery
  - 17.2 Re-deliver the goods to the Lessors depots as specified herein.
  - 17.3 In the event that the Lessor agrees to effect repairs on behalf of the Lessee rentals shall continue until such time as the repairs have been carried out to the satisfaction of the Lessor.

**Any dispute regarding the repairs and/or authorisation of repairs shall be resolved in accordance with the Lessors standard guidelines.**

- 17.4 The Lessee shall pay the Lessor for the full value of the repairs within 14 days of receiving an invoice from the Lessor its servants or agents.
- 18 If within 60 days of the expiry of the minimum period of the Agreement the Lessor and the Lessee have been unable to negotiate new rental rates then the Lessor may in its absolute discretion increase the rentals rates to its spot rates current at that time subject to 90 days written notice of its intention to do so.
- 19 Any waiver by either party hereto of any right or interest hereunder shall be in writing and shall be strictly limited to its terms and shall not be deemed as a waiver or precedent for waiver of any subsequent default or breach or of any other right or interest.
- 20 This Agreement shall be the entire and sole Agreement and understanding between the parties and shall supersede any express or implied Agreement subsisting between the parties at the date hereof and shall not be amended, modified or altered in any way without the express written consent of the Lessor. The terms and conditions of this Agreement shall be binding upon the Lessee whether signed or not and shall become effective upon signature by the Lessee or upon a date that any of the goods are made available to the Lessee whichever shall be the sooner.
- 21 Any notice hereunder shall be given in writing by either party to the other and may be delivered or sent by pre-paid post to the registered office of the parties and any such notice shall in the case of delivery

be deemed to have been served at the time of the delivery and in the case of posting at the expiry of 48 hours after it has been placed in the Post Office or in any box for the posting of letters in its control.

- 22 The proper law shall be English law and any disputes under this Agreement shall be adjudicated by the English courts.
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  - 23.1 This Agreement is being executed in the English language and any interpretations shall be made by reference to the English language.
  - 23.2 All headings contained in this Agreement are for reference only and shall not affect in any way the meaning and interpretation of this Agreement.
- 24 Where the Lessee is more than one person the Lessee's rights hereunder shall be joint and the Lessee's obligations hereunder shall be joint and several and the expression the Lessee shall mean all or any one or more of the Lessees.
- 25 No time or any other indulgence granted by the Lessor to the Lessee shall affect the rights of the Lessor under this Agreement.
- 26 The Lessee will notify the Lessor of any change in the Lessee's permanent address and the Lessee will on demand notify the Lessor of the whereabouts of the goods and will pay all expenses to which the Lessor's may be put in tracing the goods or in recovering possession thereof from the Lessee or third parties and that the Lessee will on demand pay to the Lessor any charges or expenses, costs, damages or other loss incurred or sustained by the Lessor in recovering any monies payable to them hereunder or in exercise of any of their rights under this Agreement.

**THE SCHEDULE**

**1 The Goods:**

**2 The Lease Term:**

**3 Rentals:**

**4 Replacement Value:**

**5 Purchase Option**

**LESSEE**

**LESSOR**

**Signed** .....

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**Name** .....

.....

**Position** .....

.....

**Date** .....

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**COMPANY  
STAMP**