



Lease Terms and Conditions

Lease Provisions

1 Entering into *this agreement*

This agreement commences when you and we have signed *this agreement*.

2 Delivery

You must obtain the *goods* and have them delivered to you. We are to be taken to have delivered the *goods* to you and you are to be taken to have accepted them from us when you obtain them.

3 Ownership

We always own the *goods* and you only have a right to use them. Despite us owning the *goods*, you bear the entire risk of loss arising from the *goods* (including because of theft, destruction or damage).

4 Rent and variation of rent

You must pay the *rent instalments* and related stamp duty under *this agreement* on each *payment date*. Once paid, these amounts are not refundable for any reason.

If

- a *tax event* occurs reducing our effective rate of return under *this agreement*, and
- we have not been indemnified in respect of the tax event under *this agreement*,

then, we may vary one or more of the *rent instalments*, the *payment dates* or the *residual value* so as to take account of the *tax event*. We may do so in our absolute discretion and by notifying you in writing of the variation.

This agreement commences when you and we have signed *this agreement*.

5 What happens at the end of the *term*

We will contact you in advance of the lease expiry advising of your options and how to proceed.

These options are you must:

- Offer to purchase the *goods*
- Terminate the lease and return the *goods* to us

If you do not elect to purchase or return the *goods*, you must pay us on demand rent for holding over for each day you fail to return the *goods* in an amount equal to the average daily amount of the *rent instalments* payable by you during the *term* of *this agreement*. We can give you a notice at any time requiring you to return the *goods*. The *residual value* does not reduce because rent for holding over is payable.

6 What happens when the *goods* are returned

This 6 does not apply if the *goods* are subject to sections 120 and 121 of the Goods Act 1958 (Vic) or the *regulatory legislation* applies (see 7). Otherwise, as soon as practicable after any *goods* are returned to us, we must:

- offer them for sale at a public auction and we need not include any representation or warranty

- as to title, condition or any other matter; or
- attempt to re-lease or re-hire them.

We agree to pay you the *net sale proceeds* up to their *termination value* less any amounts you owe us for any reason. If the *net sale proceeds* are less than their *residual value*, then you must pay us the difference on demand by way of indemnity for the capital loss sustained by us. The *net sale proceeds* are to be taken to be zero if the *goods* are not sold, re-leased or re-hired within one month after first being offered for sale, re-lease or re-hire.

7 Goods Act 1958 (Vic) and regulatory legislation

If we exercise our rights to *take possession* of the *goods* and they are subject to:

- sections 120 and 121 of the Goods Act 1958 (Vic), we agree to pay you any amount to which you are entitled in accordance with section 121 of the Goods Act 1958 (Vic).
- the *regulatory legislation*, we agree to notify you, and pay to or recover from you any amount to which you are entitled or liable, in accordance with the *regulatory legislation*.

8 Termination of *this agreement*

You repudiate *this agreement* and we may terminate it by notice to you if:

- you breach a fundamental provision of *this agreement*.
- you indicate by conduct or otherwise that you no longer intend to be bound by *this agreement*.
- you make a false, inaccurate or misleading statement or warranty (or deemed warranty) in connection with *this agreement*.
- you repudiate or are in default under any other agreement you have with us.

This agreement terminates immediately when we notify you that we are terminating it because of your repudiation. You must then:

- return the *goods* in accordance with 5, and
- pay us the termination value for the *goods* calculated as at the day we give notice (as liquidated damages for our loss of bargain), all *rent instalments* and other payments payable up to and on that day, including any amount payable under 13.

Despite any other provision of *this agreement*, we may give you a notice terminating *this agreement* if you fail to observe your obligations under *this agreement*. The notice operates immediately you receive it and you must then return the *goods* in accordance with 5 and pay us all *rent instalments* and other payments payable up to and on that day (including any amount payable under 13) and all *costs* we incur in *taking possession*, storing, repairing, maintaining, restoring and insuring the *goods*.

If the *goods* are subject to *regulatory legislation*, the *regulatory legislation* applies to the extent it is inconsistent with 8.

Specific Conditions

9 Casualty event or damage

You must notify us immediately if a *casualty event* occurs in respect of any *goods*. Within 7 days of the *casualty event*, you must pay us:

- the termination value of the *goods* affected by the *casualty event* plus any amount payable under 13 because of the *casualty event*, less
- any money we receive from the insurer or another person for the affected *goods* because of the *casualty event*.

This agreement terminates in respect of the affected *goods* when you pay us this amount.

We will notify you in writing of varied *rent instalments*, *residual value* and stamp duty (as the case may be) payable under *this agreement* in respect of the *goods* not affected by the *casualty event*.

If any *goods* are damaged not resulting in a *casualty event*, you must notify us immediately, and take steps to restore them to the condition they were in before they were damaged. If we receive money from an insurer or any other person for the *goods* because of the damage, we agree to pay it to you, up to the amount required to restore the *goods*, less all money then payable by you to us under *this agreement*.

10 Things you must do about the goods

You must:

- protect our interest in the *goods* and make it clear that we own the *goods*.
- comply with all applicable law affecting the *goods* or their ownership or use.
- protect the *goods* from *loss* or damage and keep them in good working order and condition.
- pay all amounts relating to the *goods* when payable.
- use the *goods* only in your business and only for the purpose for which they are designed.
- service and maintain the *goods* in accordance with the supplier's instructions and recommendations, and only by competent and properly qualified licensed personnel, and keep all *records* relating to the *goods*.
- tell us if the *goods* are not in your possession or control or you move them from the place they are regularly kept.
- allow us or a person authorised by us to enter the place where the *goods* are located at any time to:
 - inspect their condition, and inspect and take copies of any *records* relating to them.
 - exercise any of our rights under *this agreement*.
 - replace and substitute parts to the *goods* as necessary, tell us of major parts replaced or substituted and ensure that the parts become our property free and clear of any *security interests* or any other rights or interest of any person.
- do everything necessary to ensure we are able to do any of the things above (including obtaining any necessary consents from the owner or occupier of the premises for us to do so).

11 Things you must not do about the goods

You must not, without our prior written consent:

- assign or deal with your rights in connection with *this agreement*.
- give or allow any other person to have an interest in or *security interest* over *this agreement*, the *goods* or any land to which the *goods* are attached.
- place, or allow to be placed, on the *goods*, any plates or marks that are inconsistent with our ownership.
- alter the *goods* or do or omit to do anything else likely to diminish the value of the *goods*.
- attach the *goods* to any land.

12 Your other obligations

You must:

- give us any information we ask for relating to the *goods*, your business, property or financial position.
- ensure that you and any person who provides a *security interest* do not become *insolvent*.
- ensure there is no change in your business, assets or financial position which materially adversely affects your ability to meet your obligations under *this agreement*.
- if you are a corporation, ensure that the persons who control you at the date of *this agreement* continue to do so unless you have our consent for other persons to control you. This does not apply if you are a "listed corporation" as defined in the Corporations Act 2001 (Cwlth).
- comply with the *terms* of *this agreement*.

13 Indemnities

You indemnify us against, and must pay us on demand for, any *loss* we incur in connection with:

- exercising our rights under *this agreement*.
- you not doing what you should have done, or for us doing anything you should have done, under *this agreement*.
- us having to seize or store the *goods* or us owning the *goods* (including registering our interest as owner).
- us possessing the *goods*.
- any death, injury or damage caused directly or indirectly by the *goods* or the use of the *goods*.
- any *loss*, damage, or destruction of, or defect in, the *goods*.
- our reliance, or us acting in good faith, on any information you give us or instructions or communications sent to us (in any form) that we receive from you or a supplier of the *goods*.
- any claim or proceeding being made against us relating to *this agreement*, the *goods*, or the ownership or use of the *goods* (including for patent, trademark or copyright infringement, for strict liability, for personal injury or death to any person, for breach of law (including occupational health and safety legislation) or for any other reason).
- *this agreement* terminating in whole or in part in respect of any *goods* before the end of the *term*.

14 Insurance

You must:

- maintain *insurances* and if we ask, give us evidence of them and any information about them.
- note our interest as owner of the *goods* on the policy.
- tell us if a claim on the *insurance* is made or if any *insurance* is cancelled.
- do anything we reasonably ask you to do relating to a claim on the *insurance*. If we tell you, we may take over your rights to make, pursue or settle a claim on the *insurance* and exercise those rights in any manner we choose.

If you do not maintain the *insurance*, we may take out the *insurance* on your behalf. If we do, you must pay or reimburse us for the premium.

You must not, without our consent:

- do or fail to do anything which would allow an insurer to refuse or reduce a claim.
- vary an *insurance* policy.
- enforce, conduct, settle or compromise any claim.

You must ensure that all amounts which are payable to you under the *insurance* are used to replace or repair the *goods*, or, if we direct, paid to us.

15 Warranties and limitations

You acknowledge that to the full extent permitted by law:

- all express and implied *terms*, conditions and warranties are excluded, other than as set out in *this agreement*.
- whether Division 2 of Part V of the Trade Practices Act 1974 (Cwlth), Division 2 of Part 2 of the Australian Securities and Investments Commission Act 2001 (Cwlth) or any law having similar effect applies, our liability for anything in relation to the *goods* or the use of the *goods* or any financial services under *this agreement*, including damage or economic *loss* to anyone, is limited as much as it can be and it can not be more than either:
 - to replace the *goods* with the same or equivalent *goods*, to pay the cost of such a replacement, or to repair the *goods* or pay for their repair; or
 - where applicable, to re-supply the financial services with the same or equivalent services or pay for the cost of that re-supply of the financial services.

If the supplier of the *goods* has given us warranties for the *goods* you may claim on the supplier for a claim we could have made.

16 Acknowledgments about the *goods*

You acknowledge that you alone are responsible for examining the *goods* before you accept them and to satisfy yourself about them, their quality, compliance with description, condition, safety, suitability, and fitness for your purposes, the validity of any warranties or guarantees for the *goods*, and entitlements to patents. You acknowledge that you did not rely on our skill or judgment or on any representation, warranty or undertaking made by us or anyone else while examining the *goods* and in reaching the decision to accept the *goods*.

17 Other acknowledgments

You acknowledge that:

- when you sign *this agreement* there has not been a significant change in your business, assets or financial condition since you last entered into an *asset finance agreement* with us.
- we have made no representation or warranty about the accounting or taxation treatment of *this agreement* (including about the deductibility of payments under *this agreement* for taxation purposes or the accounting classification of *this agreement*).
- the supplier of the *goods* is not our agent in respect of the sale of *goods* and has no authority to represent or bind us.
- no option, promise, undertaking or representation has been given by us or any other person that you may purchase the *goods* at any time.
- we are not liable and you release us from any liability in connection with any faults, defects or inadequacies in the *goods*, or in connection with injury or death or any person, or *loss* or damage to property arising from the use of the *goods* (including if this is because of our negligence).
- we are not liable and you release us from any liability or *loss* in connection with our reliance or us acting in good faith on any information you give us or instructions or communications however sent to us that we receive from you or a supplier of the *goods*.

General Conditions

18 Fees

You agree to pay us any fee described in the Details or otherwise when we ask. We may vary the amount of any fee or vary how fees are charged or impose new fees at any time. If we do so, we will notify you in writing or (except for an introduction of a fee) by newspaper advertisement. Once paid, these amounts are not refundable for any reason.

19 Costs and Taxes

You must pay us for our reasonable *costs* and *taxes* payable in connection with:

- *this agreement* including any actual or attempted exercise or enforcement of rights under them.
- our purchase of the *goods*.
- any payment, receipt or other transaction arising out of our purchase of the *goods* or *this agreement*.
- the registration of an interest as owner of the *goods* on any appropriate register.

Anything which you must do under *this agreement* must be done at your cost.

20 GST

If *GST* is imposed on any supply made by us under or in connection with *this agreement* in addition

to that any other consideration payable by you to us, we may recover from you, an additional amount on account of *GST*, such amount to be calculated by multiplying the amount or consideration payable for the relevant supply by the prevailing *GST* rate. Any additional amount on account of *GST* recoverable from you under this clause shall be calculated without any deduction or set-off of any other amount and is payable by you upon demand by us whether such demand is by means of an invoice or otherwise.

Where you are required pursuant to *this agreement* to pay an amount to us by way of reimbursement of an amount paid or payable by us to a third party, the amount required to be paid by you will exclude any amount in respect of which we are entitled to an input tax credit.

21 Payments

You must not withhold any payment under *this agreement* or make any deduction from them, for any reason including because you claim to have a set-off, counterclaim or other right against us or any other person.

Any payment by you to us is to be taken to have been made only when we receive it in cleared funds.

22 Overdue payments

You must pay interest calculated on a daily basis at the *default rate* on each amount you do not pay on time under *this agreement* for the period it is unpaid. Each month, we may add the interest payable to the amount you owe us. You are then liable for interest under this provision on the total amount accrued. Interest under this provision is payable when we ask.

23 Authority to complete

You irrevocably authorise us to complete any blanks or amend any details in *this agreement* (in the case of amending details, where such details are incomplete or incorrect).

24 Our right to act and how we may exercise our rights

We may:

- do anything we think necessary to protect our rights in the *goods* or under *this agreement*.
- do anything you should have done under *this agreement* or the *insurance* and which we consider you have not done properly.
- exercise a right or, remedy in any way and at any time we consider appropriate. If we do not exercise a right or, remedy fully or at a given time, we can still exercise it later.

We are not liable for any *loss* caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising, a right or, remedy, whether or not caused by our negligence.

Our rights and remedies under *this agreement* are in addition to any other rights or, remedies given by law independently of it.

25 Reinstatement of rights

Under law, a *trustee* in bankruptcy, liquidator or controller (as defined in the Corporations Act 2001 (Cwlth)) may ask us to refund a payment we have received in connection with *this agreement*. If that happens then we will treat that payment as not having been made and we will be entitled as against you as though that payment was never made. This applies even though *this agreement* has been terminated.

If we ask, you must do anything to restore any *security interest* we hold or rights we have against you.

26 Our certificates

We may give you a certificate regarding any matter concerning *this agreement* including any amount payable to us by you. Unless there is a manifest error in the certificate it is conclusive evidence of the matter set out in it.

27 Notices and other communications

Notices in connection with *this agreement* given by you or us must be in writing by an *authorised person*, and may be:

- left at your address (if they are for you) or left at our address (if they are for us).
- sent by prepaid post to the address last notified.
- sent by facsimile to the facsimile number last notified.

Any notice sent by:

- post will be taken to be received at 12 noon 3 days after posting.
- facsimile will be taken to be received at the time of the transmission report for that facsimile.

Notices take effect from the time they are received unless a later time is specified in them.

Any document in an action may be served by being left at the address for service of *notices* under this clause or by another mode of service permitted by law.

28 Severability

Any provision of *this agreement* which is prohibited or unenforceable in any jurisdiction is ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That does not invalidate the remaining provisions of *this agreement* nor affect the validity or enforceability of that provision in any other jurisdiction.

29 Variation

We may vary a *term* of *this agreement*, where we reasonably consider such variation is necessary to ensure that the facility under *this agreement* is provided in accordance with all relevant laws and industry codes. We will give you notice of any such variation, either in writing to you or by newspaper advertisement.

Other than for a variation under 4, 9, 18 or this 31, a *term* of *this agreement* or a right created under them, may not be waived or varied except in writing signed by the party or parties to be bound.

30 Business Days

If the date for payment under *this agreement* (15th of the month) is not a day (other than a Saturday or a Sunday) we are open for business in the place we sign *this agreement* ("business day"), the payment will be drawn on the next business day.

31 Applicable law

This agreement is governed by the laws in force in the place where we sign it and you and we submit to the non-exclusive jurisdiction of the courts of that place.

32 Indemnities

Each indemnity in *this agreement* is a continuing obligation, separate and independent from other obligations. It continues after *this agreement* ends or is terminated. It is not necessary for us to incur expense or make payment before enforcing a right of indemnity against you.

33 Agency and transfer

We may enter into *this agreement* as principal or agent. We may also transfer the *goods* or our interest in *this agreement* or give another person an interest in or form of *security interest* over either of them, without getting your consent.

34 Trustee provisions

You acknowledge that, unless you have told us otherwise, you do not enter into a *trust agreement* as *trustee* of any trust or settlement.

If you enter into a *trust agreement* as the *trustee* of a trust or settlement then the *trustee* agrees that:

- the *trustee* is the only *trustee* of the trust and enters into the *trust agreement* in its personal capacity and as *trustee* of the trust.
- the *trustee* is authorised and has power to enter into the *trust agreement*.
- the *trust agreement* is for the benefit of the beneficiaries of the trust, and the beneficiaries have consented to the entry into each *trust agreement*.
- the *trustee* has a right to be fully indemnified out of the trust assets for obligations incurred under the *trust agreement* and the trust assets are sufficient to satisfy that right of indemnity and all other obligations in respect of which the *trustee* has a right to be indemnified out of the trust assets.

These warranties are repeated on every *payment date* under a *trust agreement*.

The *trustee* must:

- not breach the trust, ensure the trust is not terminated and not permit the replacement of the *trustee* of the trust or appointment of a new *trustee*.
- provide us on request with a copy of the trust deed and each other document relating to the trust.

35 You must comply on time

Time is of the essence in relation to your obligations to pay money under *this agreement*. It is essential you comply with these obligations on time. We do not have to give you more time to comply.

36 Interpretation and meaning of words

In this agreement a reference to:

- the singular includes the plural and vice versa.
- law includes common law, principles of equity and legislation of the Commonwealth, a state or territory.
- a document or legislation includes any variation, novation or replacement of it.
- a person includes the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns, and in our case, any principal for whom we may be agent (whether described or not).
- any thing (including the goods) includes the whole and each part of it.
- a person includes an individual, a firm, a body corporate, an unincorporated association and an authority.

asset finance agreement means a lease agreement.

authorised person

means:

- in your case,
 - if you are a company, your director or secretary; or
 - if you are a partnership, each partner; or
 - if you are an individual, yourself; and each other person whose name, signature and title is notified by you to us, except if you

have notified us that a person ceases to be such an authorised person, and

- in our case, a director or secretary, an officer whose title contains the word "director", "chief", "head", "president", "manager" or a person performing the functions of any of them.

<i>casualty event</i>	means, in respect of the goods: <ul style="list-style-type: none">• the goods are lost, stolen or destroyed, or• the goods are damaged or impaired to such an extent that you or the insurer decides that repair is impractical or uneconomic.
<i>control of a corporation</i>	means having the direct or indirect power to direct its management of or control the membership of its board of directors.
<i>costs</i>	means costs, charges and expenses, including those in connection with legal and other advisers on a full indemnity basis.
<i>default rate</i>	means a rate determined by us in our absolute discretion.
<i>fundamental provision</i>	means: <ul style="list-style-type: none">• payment of all money on time under this agreement; and• performing your obligations under 10, 11, 12 and 14 in relation to this agreement (but in respect of 12 if you are an individual, it is not a fundamental provision of the this agreement that you ensure that the events referred to in section 301 of the Bankruptcy Act 1966 (Cwlth) do not happen to you).
<i>goods</i>	means the goods described in the Details, including parts and accessories, and any replacements and substitutions of such goods.
<i>GST</i>	means the goods and services tax described in the A New Tax System (Goods and Services Tax) Act 1999 (Cwlth) and related Acts, or any similar tax.
<i>insolvent, insolvency</i>	means bankrupt, insolvent, in receivership, in receivership and management, in liquidation, in provisional liquidation, under official management or administration, wound up, dissolved, subject to any arrangement, assignment or composition or protected from creditors under any statute.
<i>insurance</i>	means: <ul style="list-style-type: none">• insurance against loss or damage to the goods caused by fire, theft, accident and any other risks we reasonably specify up to an amount approved by us,• public liability insurance for bodily injury or death or damage to property or the environment arising in connection with the use of the goods up to an amount approved by us, including motor vehicle comprehensive and third party insurance if the goods are a motor vehicle, and• insurance against any other liability the law or we reasonably require you to insure against.
<i>lease agreement</i>	means any agreement for the lease of goods between you and us.
<i>loss</i>	includes any liability or loss, and any costs (including on account of funds borrowed, contracted for or used to fund any amount payable or any amount in respect of any swap or hedge by us in connection with our purchase of the goods or this agreement) and taxes.

<i>net sale proceeds</i>	means the gross sale proceeds received for selling, re-leasing or re-hiring goods less all costs we incur in taking possession, selling, re-leasing or re-hiring them.
<i>notices</i>	means notices, certificates, requests, consents and any other communications.
<i>payment date</i>	means each date described as such in the Details as varied in accordance with 4 or 9.
<i>records</i>	means certificates of registration, insurance certificates, log books, instructions and service manuals and other documents relating to the goods.
<i>regulatory legislation</i>	means either or both of the Credit (Rural Finance) Act 1996 (Qld) or sections 13, 15 or 25 of the Hire Purchase Act 1959 (WA).
<i>rent instalment</i>	means the rent instalments described in the Details, as varied in accordance with 4 or 9.
<i>residual value</i>	means the residual value described in the Details, as varied in accordance with 4 or 9.
<i>security interest</i>	means any security for the payment of money or a performance of an obligation, including a mortgage, charge, pledge, trust or power. It also includes a guarantee or indemnity.
<i>taking possession</i>	means obtaining possession of the goods after we terminate under 8.
<i>taxes</i>	means taxes, levies, stamp and other duties, governmental fees and charges including any interest, penalties, fines or expenses in connection with them.
<i>tax event</i>	means any of the following events: <ul style="list-style-type: none"> • an imposition of, or any change in the basis of, or the interpretation, application or administration of any law or regulation imposing any taxes including a change in the: <ul style="list-style-type: none"> ○ tax rate applicable to us; or ○ rate or deductibility of the depreciation available to us in respect of the goods, or the timing of the availability of the depreciation changes or differs from that assumed by us in calculating the rent instalments and residual value under this agreement; ○ dates or frequency upon which tax is payable by us; or • we are taken to have received the market value in respect of the disposal of the goods pursuant to item 6 in the table of section 40-300(2) of the Income Tax Assessment Act 1997 (Cwlth); or • sections 82KJ, 82KK, 82KL, 51AD, Division 16D or 16E of Part III or Part IVA of the Income Tax Assessment Act 1936 (Cwlth) or any similar provision of the Income Tax Assessment Act 1997 (Cwlth) are applied to the transaction documented in the this agreement.
<i>term</i>	means the period described as the term in the Details.
<i>termination value</i>	<ul style="list-style-type: none"> • in respect of any goods on a day the termination value is calculated, means the sum of the present value on that day of the residual value for the goods; and • the present value on that day of the rent instalments which are still to fall due and which are attributable to the goods.
<i>this agreement</i>	means this Lease Agreement.

<i>trust agreement</i>	means for the purposes of 34, this agreement.
<i>trustee</i>	means you if you enter into any trust agreement as the trustee of a trust.
<i>use of the goods</i>	includes possession, operation, maintenance, repair, transportation, storage and installation of the goods.
<i>we, our, us</i>	means Crighton Pty Ltd ABN 95 094 236 898 trading as Lease IT Online.
<i>you, your, customer</i>	means the person or persons described in the Details as "You", and if there are more than one, means each of them separately and every two or more of them jointly. "You" includes your successors and assigns to whom we have consented.
