

This agreement is between:

- 1 CPA Engineered Solutions Ltd, a company incorporated in England & Wales under number 2697446, having its registered office at Suite 1, 7th Floor, 50 Broadway, London SW1 0BL, and with a trading address of Calderhead Road, Shotts ML7 4EQ (the "**Owner**" which expression shall include the "**Owner**"'s successors and assigns); and
- 2 The person identified as the Hirer in the Schedule (the "**Hirer**" which expression shall include the "**Hirer**"'s successors and permitted assigns).

Under this agreement the Owner agrees to provide on hire and the Hirer agrees to take on hire on the terms and conditions set out below and in the Schedule the goods (the **Goods**) detailed as such in the Schedule.

## **1 Goods**

Goods shall include each and every component, part, record, logbook, manual and handbook for them, and all replacements, renewals of, additions to and substitutions for the Goods from time to time made, which shall form an integral part of them and shall become the property of the Owner and subject to this Agreement.

## **2 Term and hire charges**

The terms of the hiring (the **Hire Period**) and the payments to be made shall be as set out in the Schedule. So long as the Hirer is neither in default in the payment of any sum of money payable, nor is in breach of any of the covenants or undertakings on its part to perform in this Agreement, the Owner grants it the right to hold and enjoy quiet possession of the Goods for the Hire Period.

## **3 Hirer's covenants**

The Hirer agrees and undertakes to the Owner:

### **3.1 Payment**

To pay punctually and without demand, deduction, counterclaim or set-off to the Owner, at its address given above or to its order, the Deposit and hire charges as set out in the Schedule and all other sums due from the Hirer to the Owner at the times specified for payment in this Agreement acknowledging and agreeing that time of payment of any sums payable under this Agreement shall be of the essence, and that a condition of this Agreement is that failure to pay any sums due within 14 days after the due date shall be a material breach and repudiation of this Agreement. The Owner may require the Hirer to enter into a direct debit or similar instruction to its bank to effect such payments and cancellation or variation of any such direct debit or other instruction without the Owner's prior written consent shall be deemed a material breach by the Hirer.

### **3.2 Inspection**

- 3.2.1 To inspect the Goods upon delivery of them to it and to notify the Owner immediately in writing of any defect in the Goods, provided that if no such

notification is given it shall be conclusively presumed that the Goods are complete and in good order and condition and fit for the purpose for which they are required and in every way satisfactory to the Hirer.

- 3.2.2 To allow the Owner or its duly authorised agent or representative upon reasonable notice at any time access to inspect the Goods and any records, logbook, manual or handbook forming part of the Goods.

### **3.3 Use of the Goods**

- 3.3.1 To use the Goods in a skillful and proper manner, and in accordance with any operating instructions issued for them, and to ensure that the Goods are operated and used by properly skilled and trained personnel.
- 3.3.2 To enter into a Maintenance Agreement for the Goods with the Owner for the duration of the Hire Period and to the extent it is not covered by such Maintenance Agreement to keep the Goods at its own expense and at all times in good repair, condition and working order, properly serviced and maintained in accordance with the manufacturer's recommended service schedule, and at its own cost and expense to obtain and fit all such new parts as shall from time to time be required and (subject to clause 3.5 below) if any part of the Goods are destroyed, damaged or lost, at the Hirer's cost and expense, to repair and replace them with replacements in such condition as to comply in all respects with the terms of this Agreement.
- 3.3.3 To make no alteration to the Goods and not to remove any existing component from the Goods unless it is replaced immediately (or if removed in the ordinary course of repair and maintenance as soon as practicable) by the same component or by one of a like make and model to that removed or an improved or advanced version of it.
- 3.3.4 To keep or procure to be kept throughout the Hire Period accurate, complete and current records of all use, operation, maintenance, servicing, repairs and replacements carried out to the Goods.
- 3.3.5 To obtain, effect and keep effective all permissions, licences and permits and to pay all rates, rents, taxes and charges which may from time to time be required in connection with the business of the Hirer, the Goods and their use, the premises where they are from time to time situated or kept, this Agreement and the purchase, ownership, delivery, leasing, possession, operation, import to or export from any country, any return or other disposition of the Goods, or upon the hire charges, receipts or earnings arising from them, including interest and penalties (other than corporation tax charged on the profits or taxable gains of the Owner) and to comply with all statutory and other obligations of all kinds in relation to the Goods and the use of them and at its own expense to add to or install with the Goods any safety or other equipment required by any applicable law or regulation to be so added or installed for the use or operation of the Goods and to protect the Goods against any form of diligence or analogous action in any relevant jurisdiction and to indemnify the Owner against all losses, charges and damages however incurred by the Owner by reason of failure by the Hirer to comply with any of the above.

### **3.4 Insurance**

- 3.4.1 To insure the Goods and keep the Goods insured throughout the Hire Period (in the joint names of the Owner and the Hirer) for their full replacement value against all risks on a comprehensive policy without restriction.
- 3.4.2 To insure the Owner and the Hirer against all liability to third persons for death, personal injury and damage to or loss of property arising directly or indirectly out of the use, possession or operation of the Goods for at least the sum of £1,000,000 or such other amount as the Owner agrees, such policy to provide that any payment made under it be made directly in or towards satisfaction of the claim in respect of which such payment is made.
- 3.4.3 To pay punctually all premiums due for such insurance and to produce to the Owner on request the policy or policies, together with evidence of payment of the premiums, and agrees that the Owner may effect the insurance referred to in this clause 3.4 if the Hirer has failed to do so (though it is not under any obligation so to do) and to reimburse the Owner on demand the cost of so doing.

### **3.5 Total Loss**

- 3.5.1 If there is a total loss or constructive total loss or arranged total loss (in this Agreement referred to as a Total Loss) of the Goods on the expiry of 30 days after the occurrence giving rise to such Total Loss (or on such later date as the Owner may agree), to pay to the Owner an amount equal to the sum calculated under the provisions of clause 7 below as if the Owner had lawfully terminated the hiring of the Goods under clause 6 below on the date of such Total Loss, save that in such calculation deduction of the Net Proceeds shall be replaced by the deduction of the amount of the insurance money (if any) that prior to the expiry of the said 30 days has been received by the Owner under the policy or policies maintained in compliance with clause 3.4.1, provided that:
  - 3.5.1.1 such sum shall be paid together with interest on it calculated in accordance with clause 8 below from the date of such Total Loss until the date of payment; and
  - 3.5.1.2 immediately upon the occurrence of a Total Loss, the hiring of the Goods shall terminate, but without prejudice to this Agreement which shall continue in full force and effect, and to any claims or liabilities then outstanding or arising in the future by virtue of this Agreement.
- 3.5.2 If loss or damage occurs that does not amount to a Total Loss to the Goods:
  - 3.5.2.1 immediately to notify the Owner;
  - 3.5.2.2 to apply all insurance moneys payable in making good such damage; and
  - 3.5.2.3 upon being requested by the Owner so to do, and at the Hirer's expense, immediately to assign to the Owner all the Hirer's rights, benefits and claims under any relevant policy of insurance.

- 3.5.3 To be solely responsible for and indemnify the Owner in respect of all loss or damage to the Goods (in so far as the Owner shall not be reimbursed by the proceeds of insurance in respect thereof), however caused, occurring at any time or times before physical possession of them is retaken by the Owner.

### **3.6 Dealing with or affecting the Goods**

- 3.6.1 To keep the Goods in its own possession at the location (the Specified Location) stated in the Schedule (or at such other location(s) as the Owner may expressly agree in writing) and in compliance with any policy of insurance affecting the Goods and neither to sell or offer for sale, assign, mortgage, pledge, underlet, lend or otherwise deal with the Goods or any interest in them or in this Agreement, nor to allow the creation of any charge or lien over them nor without the previous written consent of the Owner to attach the Goods to any land or premises so as to cause them to become a heritable fixture or otherwise a permanent or immoveable fixture on such land or premises.
- 3.6.2 Neither to sell, transfer, lease or otherwise dispose of nor mortgage, charge nor otherwise encumber any land or building on or in which the Goods are kept nor to agree to do any such thing nor to agree to create any floating charge unless, the Hirer has prior to such event obtained waivers satisfactory to the Owner excluding the Goods from its effect, or unless any such act does not affect the Goods in any way and is subject to the right of the Owner to repossess the Goods at any time (whether or not they or any part of them have become affixed to such land or building) and for that purpose to enter upon such land or building and sever the Goods if affixed to it.
- 3.6.3 To ensure that if the Goods are or become affixed to any land or building, they shall be capable of being removed without material damage or injury to such land or building and to take all necessary steps to prevent title to the Goods from passing to the owner or landlord of such land or building.
- 3.6.4 To repair and make good any damage caused by the affixation of the Goods to or their removal from any land or building (whether such affixation or removal is effected by the Owner or the Hirer) and to indemnify the Owner against all loss, damage or liability it may incur or sustain as a result of such affixation or removal.

### **3.7 Indemnity**

To indemnify the Owner against all loss, actions, claims, demands, proceedings (whether criminal or civil), costs, legal expenses (on a full indemnity basis), insurance premiums and calls, liabilities, judgments, damages or other sanctions whenever arising, directly or indirectly from the Hirer's failure or alleged failure to carry out its duties under this Agreement or by reason of any loss, injury or damage suffered by any person (including without limitation the Owner) from the presence of the Goods or the delivery, possession, hiring, transportation, condition, use, operation, removal or return of them or their sale or disposal by the Owner or any defect in the Goods or the design, manufacture, testing, maintenance or overhaul of them or the Owner exercising any right in respect of the Goods or their ownership or hiring.

### **3.8 Return of the Goods**

To deliver up the Goods serviced and maintained and in good repair and working order as provided in clause 3.3 at the expiration of the Hire Period or upon earlier determination of this Agreement or the hiring under it at such address in Great Britain as the Owner shall notify to the Hirer, and if necessary to allow the Owner, its agents or representatives access to any premises where the Goods may be for the purpose of removing them and at the Owner's request and as its agent to sell the Goods at the best price reasonably available and on such terms as the Owner may require.

### **3.9 Accounting information**

At the Owner's request to provide to the owner such information as the Owner may from time to time reasonably require concerning the Hirer's financial position or the Goods and their use.

## **4 Option to purchase**

The Owner shall at all times during the Hire Period retain the ownership of the Goods. The Owner agrees that if the Hirer shall pay punctually all hire charges or other sums due from the Hirer under this Agreement and shall strictly observe and perform all the terms, conditions and obligations on its part herein contained, on expiry of the Hire Period the Hirer shall have the option to purchase the Goods for the purchase price stated in the Schedule and upon such payment title to the Goods shall pass to the Hirer.

## **5 Conditions, warranties and exclusions**

5.1 The Owner agrees upon request and at the cost and expense of the Hirer to assign to the Hirer the benefit of all express warranties granted in favour of the Owner by the supplier of the Goods or the manufacturer of them or any third party.

5.2 The Goods are selected by the Hirer and acquired by the Owner at the request of the Hirer solely for the purpose of hiring the Goods to the Hirer and save as above the Owner does not hire or supply the Goods with any representation concerning the condition, performance or qualities of the Goods or with or subject to any term, condition or warranty express or to be implied by statute, description at common law or otherwise and all such representations, conditions, warranties, whether relating to the capacity, age, quality, description, condition, leasing, possession, transportation or use of the Goods, or to the suitability or fitness of the Goods for a particular or any purpose are excluded.

5.3 The Owner shall not be liable to the Hirer:

5.3.1 in contract or in delict for loss, injury or damage arising by reason of any defects in the Goods, whether such defects be latent or apparent on examination (other than liability for death or personal injury arising from the negligence of the Owner);

5.3.2 for any statement, term, condition, warranty or representation made by any dealer, agent, broker or other person through whom this transaction may have been introduced, negotiated or conducted including any representative of the

manufacturer and persons other than those in the employ of the Owner have no authority, express or implied, to act as agent for the Owner.

- 5.3.3 either for any loss whatever suffered by the Hirer as a result of the Goods or any part of them being unusable or to supply any replacement goods during any period when the Goods or part of them are unusable; or
- 5.3.4 for any loss or damage incurred or sustained by the Hirer in consequence of the Owner terminating the hiring under clause 6 or in retaking possession of the Goods.
- 5.4 Without prejudice to the generality of the foregoing, the Owner gives no warranties that the Goods do not or that the Hirer's use of the Goods will not infringe any patents, trademarks and registered designs, copyrights or confidential information or intellectual property rights, owned or possessed by any third party, and the Owner shall not be liable to the Hirer for any loss suffered by the Hirer in any way by reason of any such infringement.
- 5.5 Unless otherwise agreed with the Owner, the Hirer shall not during the Hire Period use the Goods in excess of any maximum operating limits set out in the Schedule.

## **6 Default or breach**

- 6.1 It is hereby agreed that forthwith upon the occurrence of a Total Loss the hiring of the Goods shall terminate, but without prejudice to this Agreement (which shall continue in full force and effect) and to any claims or liabilities then outstanding or thereafter arising thereunder.
- 6.2 Without prejudice to the Owner's right to arrears of hire charges or other sums due or for damages for breach of this Agreement, the Owner may terminate the hiring under this Agreement on the occurrence of any of the following events:
  - 6.2.1 if the Hirer shall not pay any of the hire charges or any sums agreed to be paid by the Hirer to the Owner under this Agreement punctually on the date when due; or
  - 6.2.2 if the Hirer shall be in breach of any term of this Agreement; or
  - 6.2.3 if there shall be any default in payment of any hire charges or other sum of money due to be paid or the Hirer shall commit any breach of any of the terms of any other agreement or arrangement in force between the Owner and the Hirer or any company that is a subsidiary of the Hirer or of which the Hirer is a subsidiary; or
  - 6.2.4 if the Hirer shall do or allow to be done any act or thing that may prejudice or endanger the Owner's property or rights in the Goods; or
  - 6.2.5 if the Hirer shall be liquidated or wound up or have a petition for winding up presented against it or pass a resolution for voluntary winding up (otherwise than for a bona fide reconstruction); or
  - 6.2.6 if a petition for the appointment of an administrator is presented against the Hirer or if the Hirer has a receiver or administrative receiver appointed; or

- 6.2.7 if the Hirer shall convene any meeting of its creditors or make a deed of assignment or arrangement or otherwise compound with its creditors; or
- 6.2.8 if any form of diligence is done or threatened by a third party affecting the Goods or if any step shall be taken or threatened under any procedure for the taking of control by another of any goods of or in the possession of the Hirer;; or
- 6.2.9 if the Hirer shall abandon the Goods

whereupon the Owner's consent to the Hirer's possession of the Goods shall determine immediately and the Owner may take possession of the Goods wherever they may be.

## **7 Consequences of the termination**

- 7.1 Forthwith upon the hiring of the Goods being determined as above or under clause 9 below or if the hiring under this Agreement is terminated upon a repudiation by the Hirer, accepted by the Owner, the Hirer shall pay to the Owner:

- 7.1.1 all arrears of charges including apportioned charges for any broken period.
- 7.1.2 all payments that had the Owner's consent to the Hirer's possession of the Goods not been determined were agreed to be paid by the Hirer to the Owner until the end of the Hire Period referred to in the Schedule; and
- 7.1.3 damages for any breach of this Agreement and all expenses and costs incurred by the Owner in retaking possession of and selling or attempting to sell the Goods and/or enforcing its rights under this Agreement.

- 7.2 Conditional upon the Goods being returned to the Owner in terms of Condition 9.1 below and upon the Hirer having made all payments due in terms of Condition 7.1 above, the Owner shall repay to the Hirer (as an adjustment to the payments made under Condition 7.1) within a period of 3 months after the Goods are returned to the Owner, an amount equal to the Net Proceeds. For the purposes of this Condition 7.2 the Net Proceeds shall be:

- 7.2.1 the proceeds of sale of the Goods if sold less in the case of a sale by instalments any amount of them referable to the deferment of some or all of the sale price as the case may be or
- 7.2.2 if the Goods are rehired, the value of them estimated by the Owner, being the value of the Goods on the basis of sale by a willing seller to a willing buyer, subject to and with the benefit of such rehiring; or
- 7.2.3 if the Goods have been neither sold nor rehired the value of them as estimated by the Owner on the basis of a forced sale for immediate cash payment;

less in each case all the Owner's expenses connected with the sale, rehiring or valuation (including in each case any commission payable) or incurred in recovering possession of or storing the Goods. For the purposes of this Condition 7.2 the Owner shall be entitled to decide how to deal with the Goods entirely at the Owner's discretion.



## **8 Interest**

If any of the hire charges or any other sums payable under this Agreement shall not be paid when due the Hirer shall pay to the Owner interest on them calculated on a daily basis and compounded quarterly from the due date until payment at the rate of 5% per year over the base rate from time to time of The Royal Bank of Scotland plc.

## **9 Hirer's right to terminate**

9.1 The Hirer may terminate the hiring of the Goods at any time (subject to the consent of the Owner prior to expiry of the Hire Period) and shall upon so doing forthwith return the Goods to the Owner in condition where they comply with the terms of this Agreement at its own risk, cost and expense, together with all licences, registration books or certificates, the insurance policy and certificate or other documents relating to the Goods.

9.2 If the Hirer terminates the hiring of the Goods prior to expiry of the Hire Period then, unless the Owner agrees expressly otherwise in writing, the Hirer shall forthwith make to the Owner the payments due in terms of Condition 7.1.

## **10 Generally**

10.1 The Owner shall at all times retain the ownership of the Goods and the Hirer shall have no interest in the Goods save as is provided by this Agreement. Notwithstanding that the Goods may have been affixed to any land or building the Owner shall continue to be the owner of them and they shall as between the Owner and the Hirer and their respective successors in title remain the personal property of the Owner.

10.2 Any delay or failure of the Owner to exercise any right or remedy shall not constitute a waiver of it or them and any of the Owner's rights or remedies may be enforced separately or concurrently with any other right or remedy now or in the future accruing to the Owner to the effect that such rights are cumulative and not exclusive of each other.

10.3 This Agreement contains all the terms agreed between the parties except such variations in writing as shall be agreed in writing by the Owner and the Hirer.

10.4 Any written communication from the Owner to the Hirer shall be sufficiently served if sent by prepaid post or letter or delivered by hand to the address of the Hirer as referred to above and if sent by post or letter shall be deemed to have been received by the Hirer 48 hours after the time of posting and at the date of delivery if delivered otherwise than by post to the Hirer's said address. Notices may also be given by email to the email address specified in the attached Schedule or otherwise notified to the other party for such purpose.

10.5 VAT shall be payable by the Hirer on all payments to be made to the Owner under this Agreement and is payable with the Deposit. If there is any variation to the way in which VAT is calculated or payable adjusting payments will be made by the Supplier or Hirer as appropriate and the Supplier may vary the Monthly Payments (and any payments to be made by direct debit) accordingly.

10.6 The continuance of this Agreement or the Hirer's liability for payment of hire charges and all other sums under it shall not be affected in any way by the loss, theft, Total Loss or any



damage to or any defect in the Goods, whether latent or patent, save as provided in clause 3.5.2 above.

- 10.7 All the obligations of the Hirer under this Agreement shall be discharged at the Hirer's cost and expense.
- 10.8 The Contract (Third Party Rights) (Scotland) Act 2017 is excluded from applying to this Agreement and nothing herein confers or purports to confer on any third party any benefit or any right to enforce any term of this Agreement.
- 10.9 This Agreement shall be governed and construed according to the laws of Scotland and the parties prorogate the non-exclusive jurisdiction of the Scottish courts.

## **11 Use of information**

- 11.1 In considering the Hirer's application, the Owner may search the Hirer's record at credit reference agencies. They will add to the Hirer's record details of the Owner's search and the Hirer's application and this will be seen by other organisations that make searches. The Owner shall use information it obtains from the Hirer under this Agreement or from any credit reference or fraud prevention agencies:
  - 11.1.1 to assess the Hirer's application, manage the Hirer's account and provide the Owner's services and to carry out market research;
  - 11.1.2 to recover debts, prevent fraud and to detect money laundering activity;
  - 11.1.3 to develop, improve and market the Owner's products and services;
  - 11.1.4 for credit scoring and statistical and analytical purposes.
- 11.2 The Owner may use a credit scoring or other automated decision making system when assessing the Hirer's application.
- 11.3 The Owner may also add to the Hirer's record with any credit reference agency details of this Agreement and any default or failure to keep to its terms. The Owner may check the details with fraud prevention agencies. These records may be shared with other organisations and used by the Owner and them to help make decisions about credit and credit related services, recover debt, prevent money laundering and fraud and to manage the Hirer's accounts. These include any organisations who introduced the Owner or who act on the Hirer's or the Owner's behalf, other banks or lessors, anyone who has a legal right to such information or anyone to whom the Owner may intend transferring its rights and/or duties under any agreement it may have with the Hirer. For these purposes the Owner or other organisations may make further searches. Although these searches will be added to the Hirer's record, they will not be shared with others.

**Signed for and on behalf of CPA  
Engineered Solutions Limited**

Signature

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Position

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Date

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**Signed for and on behalf of the Hirer**

Signature

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Position

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Date

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**Schedule**

<b>Hirer</b>	Insert name and address  Company number;  VAT Registration No:
<b>Goods</b>	Insert description
<b>Hire Period</b>	From ..... to ..... (inclusive)
<b>Monthly Payments</b>	[Number } x £            to be paid to the Owner's bank account details of which are:   Payments to be made by no later than the [            ] day of each calendar month (or if such day is not a business day the next succeeding business day)
<b>Deposit</b>	£
<b>VAT payable on Monthly Payments and Deposit</b>	£  to be paid with Deposit
<b>Purchase price</b>	£
<b>Specified Location</b>	
<b>Limits on use of Goods</b>	
<b>Owner e-mail contact for notices</b>	
<b>Hirer e-mail contact for notices</b>	

**All payments are stated exclusively of any applicable VAT which is payable in addition.**