

## AUTOMOBILE LEASE AGREEMENT

This AUTOMOBILE Lease (this "Lease") is made effective as of \_\_\_\_\_, between (the "Lessor"), Name & Address:

\_\_\_\_\_  
and (the "Lessee"), Name & Address:

\_\_\_\_\_,  
and states the agreement of the parties as follows:

**AUTOMOBILE SUBJECT TO LEASE.** The Lessor shall lease the automobile listed on the attached Exhibit A (the "AUTOMOBILE Schedule").

**PAYMENT TERMS.** The Lessee shall make \_\_\_\_\_ payments of \_\_\_\_\_ each. Payments shall be due on the \_\_\_\_\_ day of each \_\_\_\_\_, with the first payment due on \_\_\_\_\_. The lease payments shall be due whether or not the Lessee has received notice of a payment due.

**RISK OF LOSS OR DAMAGE.** The Lessee assumes all risks of loss or damage to the automobile from any cause, and agrees to return it to the Lessor in the condition received from the Lessor, with the exception of normal wear and tear.

**LEASE TERM.** This Lease shall begin on the above effective date and shall terminate on \_\_\_\_\_.

**CARE AND OPERATION OF AUTOMOBILE.** The automobile may only be used and operated in a careful and proper manner. Its use must comply with all laws, ordinances, and regulations relating to the possession, use, or maintenance of the automobile, including registration and/or licensing requirements.

**MAINTENANCE AND REPAIR.** The Lessee shall maintain the automobile in good repair and operating condition, allowing for reasonable wear and tear. The Lessee shall pay all costs required to maintain the automobile in good operating condition. Such costs shall include labor, material, parts, and similar items.

**LESSOR'S RIGHT OF INSPECTION.** The Lessor shall have the right to inspect the automobile during Lessee's normal business hours.

**RETURN OF AUTOMOBILE.** At the end of the Lease term, the Lessee shall be obligated to return the automobile to the Lessor at the Lessee's expense.

**OPTION TO RENEW.** If the Lessee is not in default upon the expiration of this lease, the Lessee shall have first option to lease the A automobile on such terms as the parties may agree at that time.

**ACCEPTANCE OF AUTOMOBILE.** The Lessee shall inspect each item of automobile delivered pursuant to this Lease. The Lessee shall immediately notify the Lessor of any discrepancies between such item of automobile and the description of the automobile in

the automobile Schedule. If the Lessee fails to provide such notice in writing within \_\_\_\_\_ day(s) after the delivery of the automobile, the Lessee will be conclusively presumed to have accepted the automobile as specified in the automobile Schedule.

**OWNERSHIP AND STATUS OF AUTOMOBILE.** The automobile will be deemed to be personal property, regardless of the manner in which it may be attached to any other property. The Lessor shall be deemed to have retained title to the automobile at all times, unless the Lessor transfers the title by sale. The Lessee shall immediately advise the Lessor regarding any notice of any claim, levy, lien, or legal process issued against the automobile.

**INDEMNITY OF LESSOR FOR LOSS OR DAMAGES.** If the automobile is damaged or lost, the Lessor shall have the option of requiring the Lessee to repair the automobile to a state of good working order, or replace the automobile with like automobile in good repair, which automobile shall become the property of the Lessor and subject to this Lease.

**LIABILITY AND INDEMNITY.** Liability for injury, disability, and death of workers and other persons caused by operating, handling, or transporting the automobile during the term of this Lease is the obligation of the Lessee, and the Lessee shall indemnify and hold the Lessor harmless from and against all such liability. Lessee shall maintain liability insurance of at least \_\_\_\_\_.

**CASUALTY INSURANCE.** The Lessee shall insure the automobile in an amount of at least \$\_\_\_\_\_.

**PHYSICAL DAMAGE INSURANCE.** The Lessee shall insure the automobile in an amount of at least the full Actual Cash Value of the vehicle.

**TAXES AND FEES.** During the term of this Lease, the Lessee shall pay all taxes, assessments, and license and registration fees on the automobile.

**DEFAULT.** The occurrence of any of the following shall constitute a default under this Lease:

- A. The failure to make a required payment under this Lease when due.
- B. The violation of any other provision or requirement that is not corrected within \_\_\_\_\_ day(s) after written notice of the violation is given.
- C. The insolvency or bankruptcy of the Lessee.
- D. The subjection of any of Lessee's property to any levy, seizure, assignment, application or sale for or by any creditor or government agency.

**RIGHTS ON DEFAULT.** If the Lessee is in default under this Lease, without notice to or demand on the Lessee, the Lessor may take possession of the automobile as provided by law, deduct the costs of recovery (including attorney fees and legal costs), repair, and related costs, and hold the Lessee responsible for any deficiency. The Lessor shall be obligated to re-lease the automobile, or otherwise mitigate the damages from the default, only as required by law.

**NOTICE.** All notices required or permitted under this Lease shall be deemed delivered when delivered in person or by mail, postage prepaid, addressed to the appropriate party at the address shown for that party at the beginning of this Lease.

**ASSIGNMENT.** The Lessee shall not assign or sublet any interest in this Lease or the automobile or permit the automobile to be used by anyone other than the Lessee or Lessee's employees, without Lessor's prior written consent.

**ENTIRE AGREEMENT AND MODIFICATION.** This Lease constitutes the entire agreement between the parties. No modification or amendment of this Lease shall be effective unless in writing and signed by both parties. This Lease replaces any and all prior agreements between the parties.

**GOVERNING LAW.** This Lease shall be construed in accordance with the laws of the State of GA.

**SEVERABILITY.** If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

**WAIVER.** The failure of either party to enforce any provision of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

**CERTIFICATION.** Lessee certifies that the application, statements, trade references, and financial reports submitted to Lessor are true and correct and any material misrepresentation will constitute a default under this Lease.

Lessor: \_\_\_\_\_

By: \_\_\_\_\_

Lessee: \_\_\_\_\_

By: \_\_\_\_\_

## **EXHIBIT A**

### **Automobile Schedule**

Automobile Description (Describe vehicle, including VIN#):