

The following are the terms and conditions on which you the hirer (referred to as "you" or "your") agree to hire the Equipment from Sayarne Pty Ltd (ACN 056 095 802) trading as Fleet Fitness (referred to as "us", "we" or "our").

**1. INTERPRETATION** In this Agreement "Market Value" means the value of the Equipment as determined by a person nominated by us as being experienced in valuing equipment of a type which is similar to the Equipment; "Permitted Persons" includes your invitees, employees, agents, contractors, customers and licensees; "Term" means the period commencing on the Commencement Date and terminating on the End Date.

**2. LEASE TERM** This Hire Agreement is for the Term. If you continue in possession of the Equipment after the expiry of the Term, or earlier termination of this Agreement, you must pay all monies payable under this Agreement, including Rent Instalments on a pro rata basis calculated daily at the rate payable on a one month hire agreement, until such time as the Equipment is returned to us, and, all other terms of this Agreement will continue to apply.

**3. PAYMENT** You must pay all of the Rent Instalments and GST to us on or before the dates set out in the Payment Schedule in such a manner as we may from time to time require.

**4. OVERDUE PAYMENTS** If you fail to pay the Rent Instalments and all other monies payable under this Agreement when due, then in addition to any remedy we have under clauses 10 and 11 and any amount already owed to us, you must pay to us: **(a)** Interest on any outstanding Rent Instalments and all other outstanding monies at a rate of 18% per annum calculated on a daily basis AND our administration costs of \$120 per hour; OR **(b)** a sum of \$35 per default, whichever is greater, until such times as the default has been remedied. Any default on a credit card payment will incur a \$35 fee in addition to any other amount which may be payable owing to your default.

**5. YOUR WARRANTIES** You warrant and represent to us that: **(a)** all information which you have given to us is correct and not misleading; **(b)** You have not relied upon any statement made by us or anyone acting on our behalf and in selecting the Equipment you have relied on your own skill and judgement and agree that the Equipment complies with its description, is in merchantable condition and fit for your purposes; and **(c)** prior to entering into this Agreement you have obtained an independent health assessment of your fitness to use the Equipment.

**6. YOUR OBLIGATIONS 6.1 USE, MAINTENANCE AND REPAIR** You must: **(a)** at all times maintain the Equipment in good working order and condition and in accordance with the manufacturer's specifications and recommendations; **(b)** only use the Equipment for the purpose for which it was designed and in accordance with the manufacturer's instructions; and **(c)** store and use the Equipment indoors only.

**6.2 SAFEGUARDING EQUIPMENT** You must not without our prior written consent: **(a)** make any alteration or addition to the Equipment which may adversely affect its value; **(b)** remove the Equipment from the location set out in the Schedule and do or allow anything to be done which is likely to jeopardise its safety, condition or value; and you must notify us immediately of any change in your address.

**7. OWNERSHIP OF THE EQUIPMENT AND OUR RIGHTS** We retain full title and ownership of the Equipment notwithstanding that you have possession and use of the Equipment until such time as you exercise your right to purchase the Equipment in accordance with clause 12. You acknowledge and agree that if we elect to do so we may record in the Personal Property Securities Register a security interest (including a purchase money security interest under section 14(1)(c) of the Personal Property Securities Act 2009 (Cth) (**PPS Act**)) against you in relation to the Equipment for the duration of the Term and until the Equipment is returned to us. Without limiting anything in clause 7 you agree and acknowledge that this Agreement is intended to constitute a security agreement for the purposes of the PPS Act in the Equipment and any proceeds which secures your obligations to return the Equipment to us and the payment of any moneys due to us and any other obligation you are required to perform pursuant to the terms of this Agreement. For the purposes of section 275(6) or any other provision of the PPS Act we agree with you that no information may be disclosed in accordance with section 275(1) of the PPS Act. Words used in this Agreement which have a defined meaning in the PPS Act have the same meaning as in the PPS Act unless the context otherwise indicates.

**8. IMPLIED WARRANTIES** To the greatest extent permitted by law we exclude all conditions, warranties or rights implied or given in respect of the Equipment and our liability for any breach of such implied conditions, warranties or rights will be limited (at our option): **(a)** In the case of goods supplied, to the replacement or repair of the goods or the supply of equivalent goods, the payment of the cost of repairing or replacing the goods or of acquiring equivalent goods; **(b)** In the case of services supplied, to the supplying of the services again or the payment of the cost of having the services supplied again.

**9. INDEMNITY** You shall indemnify us and keep us (and our employees and agents) harmless against any claim, demand, proceeding, judgments, liabilities, losses, damages, third party claims and costs (including legal costs on an indemnity basis) of any nature whatsoever, and whether direct, indirect or consequential, caused by or arising out of, or in connection with any or all of the following: **(a)** breach by you or your Permitted Persons of any warranties, terms or conditions of this Agreement; **(b)** any act or omission or negligence by you or your Permitted Persons; **(c)** any loss or damage to the Equipment, or to any personal or real property belonging to you or any third party, or any injury to, or death, illness or incapacitation of any person (including you), arising out of or in connection with the use, repair, possession or storage of the Equipment; and **(d)** any reasonable action taken by us to remedy a default of this Agreement by you or the your Permitted Persons.

**10. TERMINATION 10.1** We may at any time terminate this Agreement and, without any notice to you, take possession of the Equipment if: **(a)** any Rent Instalments or other money payable under this Agreement remains unpaid for SEVEN (7) days after receipt of a notice from us requiring you to remedy the breach after becoming due; **(b)** you fail to observe or perform the provisions of this Agreement or breach any warranty and that failure or breach, if capable of remedy, is not remedied for a period of SEVEN (7) days after receipt of a notice from us requiring you to remedy the breach; and **(c)** the Equipment is lost or destroyed or we form the opinion that it is so damaged as to make its repair uneconomical.

**10.2** Upon termination of the Agreement in accordance with clause 10.1, you are immediately liable to pay to us: **(a)** any Rent Instalments and any other moneys then due but not paid; and **(b)** all our costs and expenses in possessing the Equipment, including but not limited to solicitors costs (on an indemnity basis).

**11. WHAT MUST HAPPEN AT THE END OF THE HIRE (a)** At the end of the Term or earlier termination of this Agreement, we are immediately entitled to possession of the Equipment (unless you purchase the Equipment in accordance with clause 12). **(b)** If you do not return the Equipment to us when due and we are not able to recover possession of the Equipment within a reasonable period of time, we may declare it to be lost and you must pay us the Market Value at that time (assuming that the Equipment is in excellent condition for equipment of its age) as well as any other moneys which you be liable to pay us. **(c)** The Equipment must be returned to us clean and in good repair.

**12. TRY BUY** Provided you are not in breach or have not been persistently in default of this Agreement and have otherwise complied with all your obligations under this Agreement, then upon expiry of the Term, you may (but you are not obligated to), elect to purchase and acquire title to the Equipment by notifying us on or before the End Date and by paying the Try Buy Amount upon the expiry of the Term.