

Agreement for Hire-Purchase of a Car through a Finance Company

This agreement made at This Day of 2000, between a (hereinafter called the owner) of the first part and b (hereinafter called the hirer) of the second part and c (hereinafter called the dealer) of the third part.

Whereas the hirer is desirous to purchase a car and he has approached the dealer to sell the car to him and to arrange the finance for the purchase of the car.

And whereas the dealer after satisfying about the creditworthiness of the hirer, has requested the owner to purchase the car more particularly described in the schedule hereto (hereinafter called the said car), in order to let the same to the hirer under a hire-purchase agreement.

And whereas the owner has acquired the said car from the dealer for the abovementioned purpose and in consideration of the above, the dealer has agreed to guarantee the payment of the hire by the hirer in accordance with the terms of hire-purchase agreement.

Whereby it is agreed between the parties as follows:

1. The owner shall let and the hirer will take on hire the car more particularly described in the schedule on the following terms and conditions.
2. The hirer shall pay to the owner on the execution of these presents for the option to purchase herein contained the sum of rs And for which credit will be given if the said car be purchased in accordance with the terms of this agreement and will pay to the owner at his address for the time being and without demand the sum of rs Every calendar month by way of rent for the hire of the said car, the first payment to be made on the Day of And each subsequent payment on the 10th day of every succeeding month.
3. The hirer during the continuance of the hiring, will not sell, assign, pledge, mortgage, underlet, lend or part with the possession of the said car or otherwise deal with the said car and will not take the same out of the city of Without the previous consent in writing of the owner.
4. The hirer during the continuance of the hiring shall keep the said car in good repair condition and working order (reasonable wear and tear excepted) and will permit the owner, his servants or agents to have access to the said car for the purpose of inspecting the condition thereof. The hirer shall pay all licence fees, road tax, fees and duties payable in respect of the said car.
5. The said car shall be insured by the hirer in the joint names of the owner and the hirer against loss or damage by fire, accident, third party risks and riot risks in the sum of rs..... With the insurance company ltd. And the hirer shall pay punctually the premiums and all moneys payable in respect of such insurance.
6. The hirer may at any time terminate the hiring by returning the said car at his own cost and risk to the owner at his place of address for the time being.
7. If the hirer shall make default in payment of any monthly sum payable hereunder for Days after the same shall have become due or shall fail to observe the terms and conditions of this agreement or if the hirer becomes bankrupt or a receiver is appointed of his property or if distress or execution is levied against his property or if the hirer shall do or cause to be done or permit or suffer any act or thing whereby the owner's rights in the said car may be prejudiced or put in jeopardy, the owner may without prejudice to the owner's claim for arrears of hire or damages for breach of this contract, terminate the hiring without notice and retake possession of the said car and it shall be lawful for the owner, his agents or servants to enter upon any premises where the said car may be and seize and take possession thereof. And on determination of the hiring as aforesaid the hirer will remain liable for the arrears of hire, payment or for damages for breach of this agreement and the owner may enforce such claim by action or otherwise.
8. The hirer shall use the said car for his private use only and will not allow the same to be used as a taxi or for commercial purpose.
9. The hirer has examined or has caused to be examined the said car and satisfied himself as to its condition and running and no warranty is implied on the part of the owner as to the quality or state of the motor vehicle as to its fitness for any purpose, whatsoever.
10. The hirer and the guarantor shall execute by way of collateral security a promissory note with joint and several liability in favour of the owner for total hire payable for the said car and in the event of the hirer making a default in payment of any sum due under this agreement, the owner shall be entitled to transfer or negotiate the said note and the transferee or holder shall take the said note free from equities and defences as a holder in due course.
11. The hirer will be liable to pay all taxes, rates, levies, licence fees or any other charges, fines or imposition levied by the government or local body or other authority in respect of the said car and on this transaction.

12. The owner agrees to permit the hirer to have the registration of the said car in his own name in terms of the provisions of motor vehicles act, 1988 and the rules framed thereunder; provided that the hirer shall transfer the registration of the said car in the name of the owner whenever demanded by the owner to do so.

13. The agreement is personal to the hirer and the rights of the hirer shall not be assignable in favour of third party.

14. If the hirer shall duly perform and observe all the stipulations and conditions in this agreement contained on his part to be performed and observed and shall pay to the owner monthly sums by way of rent amounting together with the sum paid for the option to purchase to the sum of rs..... And shall also pay all other sums of money which may become payable to him by the hirer under this agreement, the hiring shall come to an end and the said car shall become the property of the hirer and the owner will assign and make over all his rights and interest in the same to the hirer but until all such payments as aforesaid have been made, the said car will remain the property of the owner.

15. Any delay, neglect, indulgence or forbearance on the part of the owner in enforcing any terms or conditions of this agreement shall not prejudice the strict rights of the owner hereunder.

16. In consideration of the owner letting the said car to the hirer as hereinabove, the surety hereby guarantees the due payment of the rents and all other sums of money which may become payable by the hirer under these presents and the performance and observance of the said agreements and conditions by the hirer and the surety agrees that this guarantee will not be prejudiced by the owner neglecting or for- bearing promptly to enforce this agreement against the hirer or giving time for the payment of the rents when due or delaying to take any steps to enforce the observance or performance of the said agreement.

17. Any notices required to be given herein shall be given to the parties hereto in writing and by either registered post acknowledgment parties due or by hand delivery at the addresses above mentioned or at such other addresses as the parties hereto may hereafter substitute by notice in writing.

18. It is agreed by and between the parties that this agreement shall be subject to the jurisdiction of the civil courts of

In witness whereof, the parties have hereunto set and subscribed their respective hands on the date and year above mentioned.

Schedule

Signed and delivered by the within named owner

Signed and delivered by the within named hirer

Signed and delivered by the within named surety

Witnesses;

1.

2.