

BAILMENT AGREEMENT

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BETWEEN THE UNDERSIGNED:

X, Company [legal form], which has its registered office situated at [address of registered office], registered with [...], under the number [...], validly represented by (...) in his/her capacity as (...).

Hereafter referred to as the “**Bailor**”

On the One Hand

AND,

Y, Company [legal form], which has its registered office situated at [address of registered office], registered with [...], under the number [...], validly represented by (...) in his/her capacity as (...).

Hereafter referred to as the “**Bailee**”

On the Other Hand

The Companies X and Y will hereafter be called individually the “Party” and collectively the “Parties.”

1. Object

The Bailor lends to the Bailee the Property (“Property”) described herein: (...).

2. Duration

2.1 Option A. This Contract is concluded for a fixed duration. It enters into force the (...) and ends the (...). At the end of this period, the contractual relationship between the Parties will end without the requirement of a notification period or any formal notice. However, if at the end of this period, the Parties continue to perform the Contract, the latter is presumed to be renewed for the same duration, unless the Parties agree otherwise. The Contract can be renewed in this way (...) times.

2.2 Option B. This Contract is concluded for an indeterminate duration. Each Party has the right to end it, subject to the notification of its will to the other Party and to a notification period of (...) months, unless the Parties agree otherwise.

3. Taking Possession of the Property

3.1 The Property will be delivered to the Bailee the (...) who will sign a letter of acceptance.

3.2 By signing the letter of acceptance, the Bailee recognises and agrees that it is deemed to have verified that the Property is in good working order, and fit for the purpose described in Section 1.

4. Costs and Reimbursement

The Property is lent to the Bailee for a sum of (...) Euros per month??.

The loan will be paid by instalments into the bank account IBAN number (...) with the bank (...) (BIC...) of the Bailor.

5. Bailee's Obligation

5.1 The Bailee agrees to maintain the Property in good working order and to use it in conformity with its intended purpose.

5.2 The Bailee shall maintain, repair or replace the Property at its own cost.

5.3 The Bailee agrees to respect all the laws, all the regulations and all the governmental provisions in relation to the use and possession of the Property.

5.4 The Bailee agrees to immediately notify the Bailor in writing of all claims or litigations which might affect the Property.

5.5 The Bailee will not authorise the registration of any lien, charge or mortgage on the Property.

6. Ownership of the Property

The Property remains entirely the property of the Bailor and the Bailee agrees not to acquire any right or any interest on the Property within the framework of this Contract.

7. Liability for Loss or Damage

The Bailee agrees to indemnify the Bailor for all damages affecting the Property which appear during the Bailee's use of the Property, with the exception of deteriorations arising from normal use.

8. Insurance

8.1 The Bailee agrees to contract, at its own cost, an insurance policy, approved by the Bailor, which will cover all the insurable risks which may affect the Property for a minimum amount of (...). The Bailor shall be named a third party beneficiary of this insurance policy.

8.2 The Bailee shall, at the first request, bring forth proof of the payment of the insurance premium.

9. Return of the Property

9.1 The Bailee agrees to return the Property in the same condition as it was in when received by the Bailor, and agrees to assume all the costs related to the restoration of the Property.

9.2 At the end of the term or at the early termination of this Contract, the Bailee shall send the Property to the Bailor at the address of the latter or shall deliver the Property to the address which is indicated by the Bailor in writing.

10. Breach of Contract and Resolution

10.1 In the event that the Bailee has not respected one or more of the obligations found within this Contract, the Bailor shall notify it of its failure and grant it a grace period of (8)¹ days to remedy this violation.

10.2 If the Bailee does not conform within this period, the Bailor will have the right to notify the Bailee that the Bailor is terminating the Contract subject to a notification period of three months, or to claim immediate payment and/or performance of all its obligations. In any case, the exercise of this right will not impair the right of the Party to obtain damages.

10.3 In the following events, the Bailor will have the right to terminate the Contract, without any requirement of a notification period:

- the Bailee becomes insolvent or declares bankruptcy;
- the Bailee commits wilful misconduct or is found guilty of fraud in the performance of this Contract;
- (...)

¹ Example

10.4 In the event that the Bailee cannot return the Property within the period described in this Contract, it can be requested immediately and without the requirement of a notification period. Furthermore, the Bailee will be held to pay, as a penalty clause, in addition to the interests due in proportion to the late payment, a lump sum equal to (10)² % of the total unpaid amount.

10.5 In the event of termination of this Contract in conformity with Articles 10.2, 10.3 and 10.4, the Bailor may demand the immediate return of the Property.

11. Force Majeure (OPTIONAL)

11.1 This term refers to the occurrence of unpredictable and irresistible events, independent of the will of either Party, having the consequence of preventing the performance of obligations under this Contract. Among these events are notably: war, riots, revolutions, insurrections, strikes, fires, floods, earthquakes, storms, (...). Not contained in the definition of force majeure are the following: (...).

11.2 Neither Party may be held responsible for the failure, the non-observance, or the breach of this Contract if it is caused by a case of force majeure. The affected Party shall provide proof of the existence of the case of force majeure and its effects.

11.3 In the event that such an event occurs, the Party which is unable to perform its obligation must notify the other Party as quickly as possible, and at most (...) days later, of the nature, the expected duration, the consequences of this event and also of the termination of this event. The affected Party shall inform the other Party of the evolutions of this event or of the circumstance which constitute the case of force majeure.

11.4 The affected Party will not be held responsible for failure, for non-observation or for breach of the Contract.

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² Example