

## Lease Agreement

*The information below is provided by the Pennsylvania Department of the Auditor General as a resource to support Volunteer Firefighter Relief Associations across the Commonwealth.*

Volunteer Fire Relief Association's (VFRAs) may lease its owned vehicles/equipment/gear to affiliated fire company(ies). Combination departments may lease the vehicles/equipment/gear from the VFRA for use by both volunteer and career firefighters.

The Agreement of the lease must include evidence of some reasonable remuneration paid to the VFRA in writing.

At a minimum, the lease agreement should include the following:

- Date of agreement
- Entities' legal names and the parties full address, including the county
- A description of the vehicle/equipment/gear being leased/financed
- Principal cost of the vehicle/equipment/gear
- Total payments over the life of the lease
- Interest rate, if any, being charged
- Payment schedule for term of the lease (amortization schedule)
- Penalty(ies) for late payment or pre-payment, if any
- Provisions to address early termination of lease, including end of useful life of the vehicles/equipment/gear
- Signatures of at least two officers, one of which shall be the disbursing agent of the VFRA in compliance with their bylaws, is necessary to form an enforceable contract