

Sample – transfer of taxi-cab licence agreement

The attached agreement is a sample transfer agreement.

If you wish to use the attached sample agreement, please remove this page and complete the agreement as required.

Alternatively, parties are able to determine their own terms of the transfer arrangement, so long as the terms comply with all relevant laws, including the *Transport (Compliance and Miscellaneous) Act 1983* and contain all of the required information (as listed in the Application for authorisation to transfer a taxi-cab licence).

Transfer of Taxi-cab Licence Agreement

June 2015

Transfer of Taxi-cab Licence Agreement

Dated

D	D	M	M	Y	Y
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Between [name of Transferor]

ABN, if applicable

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Address

And [Name of Transferee]

ABN, if applicable

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Address

IT IS AGREED:

1. Transfer of Licence

- 1.1 On and subject to the terms of this agreement, the transferor agrees to transfer to the transferee the taxi-cab licence ("**Licence**") and to sell to the transferee the chattels, if any ("**Chattels**") each as specified in Item 3 of the schedule and the transferee agrees to take a transfer of the Licence and to buy any Chattels in each case on and with effect from the date specified in Item 2 of the schedule ("**settlement date**").

2. Purchase Price

- 2.1 The consideration for the transfer of the Licence and the sale of any Chattels will be the purchase price specified in Item 5 of the Schedule ("**Purchase Price**") which must be paid by the Transferee in the manner and at the times specified in Item 5 of the Schedule.
- 2.2 If Item 5 of the Schedule provides for payment of a deposit it must be paid to the Transferor's Agent specified in Item 1 of the Schedule. The Transferor's Agent will hold the deposit as stakeholder as security for the performance of the Transferee's obligations under this Agreement. The parties irrevocably instruct the Transferor's Agent to pay the deposit as follows:
- (a) if the Transferee pays the balance of the Purchase Price to the Transferor at settlement then to the Transferor;
 - (b) if settlement does not occur on the Settlement Date or this Agreement is terminated, in either case because approval by the Licensing Authority is not given under clause 3, then to the Transferee;
 - (c) if settlement does not occur on the Settlement Date solely because the Transferor breaches this Agreement then to the Transferee;
 - (d) if settlement does not occur on the Settlement Date because the Transferee breaches this Agreement then to the Transferor.
- 2.3 If the transferor does not have an agent, the transferor:
- (a) must hold the deposit (if any) specified in Item 5 of the schedule solely as security for the performance of the transferee's obligations under this agreement until the transferee pays the balance of the purchase price to the transferor at settlement;
 - (b) must, if settlement does not occur on the settlement date or this agreement is terminated, in either case because approval by the Licensing Authority is not given under clause 3, return the deposit to the transferee;
 - (c) must, if settlement does not occur on the settlement date solely because the transferor breaches this agreement, return the deposit to the transferee;
 - (d) may, if settlement does not occur on the settlement date because the transferee breaches this agreement, retain the deposit.
- 2.4 The fact that the Transferor may become entitled to receive the deposit does not prevent it from exercising any other right it has in connection with a breach of this Agreement by the Transferee.

3. Licensing Authority Approval:

- 3.1 This Agreement is conditional upon the Transferor obtaining, on or before the date specified in Item 6 of the Schedule ("**Approval Date**"), the authority of the Licensing Authority within the meaning of Division 5 of Part VI of the *Transport (Compliance and Miscellaneous) Act 1983* ("**Licensing Authority**") to transfer the Licence from the Transferor to the Transferee ("**Approval**").
- 3.2 The Transferor and Transferee must, within fourteen calendar days after the date of execution of this Agreement, submit all documents and other items (if any) required by the Licensing Authority to determine the application for authority to transfer the Licence.
- 3.3 If the Approval is not obtained by the Approval Date or such other date as may be agreed in writing by the parties, either party may terminate this Agreement by giving written notice to the other.
- 3.4 If this Agreement is terminated under clause 3.3, the Transferee will be entitled to a refund of any deposit and other moneys paid to the Transferor provided that the Transferee:
 - (a) has complied with its obligation under clause 3.2;
 - (b) has done everything reasonably required to obtain the Approval; and
 - (c) is not in default under any other condition of this Agreement when the notice is given.

4. Settlement

- 4.1 On the settlement date, upon payment of the purchase price (less the amount of any deposit previously paid to the transferor's agent), the transferor must deliver into the possession of the transferee the items specified in Item 7 of the schedule ("**settlement items**").

5. Transferor's Warranties

- 5.1 The transferor represents and warrants to the transferee that, as at the date of this agreement and at settlement:
 - (a) the transferor is the legal and beneficial holder of the Licence and is the legal and beneficial owner of any Chattels; and
 - (b) the transferor will at settlement transfer the Licence to the Transferee and deliver to the transferee good title to any Chattels, in each case free from any mortgage, charge, lien, trust or any other encumbrance.

6. TRANSFEEE'S acknowledgments

- 6.1 The transferee acknowledges and agrees that the Licence is subject to the conditions set out on and/or attached to the Licence and in particular that:
 - (a) if the Licence is a Conventional Fixed-Term Taxi-Cab Licence issued under the 2010 Greater Metropolitan Taxi-cab Licence Release program, the Licence is for a fixed term of 10 years from the date of licence issue, is non-renewable and non-assignable, and expires on the expiry date set out in Item 3 of the Schedule; or
 - (b) if the Licence is a Wheel-chair Accessible Fixed-Term Taxi-Cab Licence issued under the 2010 Greater Metropolitan Taxi-cab Licence Release program, the Licence is for a fixed term of 10 years from the date of licence issue, is non-renewable and non-assignable, and expires on the expiry date set out in Item 3 of the Schedule. The Transferee will be responsible for paying when due all annual instalments of the licence fee payable to the Director of Public Transport on and after the Settlement Date. For the avoidance of doubt, the dates on which the annual instalments are due are set out in Item 3 of the Schedule.

7. Costs

- 7.1 The Transferor must pay all costs associated with obtaining a Licensed Taxi Tester certificate of roadworthiness in respect of any vehicle forming part of the Chattels ("**Vehicle**").
- 7.2 Any fee payable to the Licensing Authority in respect of the transfer of the Licence must be borne by the Transferor.
- 7.3 Any fee, levy, charge or duty payable in respect of the transfer of registration of any Vehicle included in this agreement as Chattels as specified in Item 3 of the Schedule must be borne by the Transferee.
- 7.4 Except as provided in 7.2 or 7.3 above, each party must pay its own costs and outlays connected with the negotiation, preparation and execution of this Agreement including legal fees, fees and charges payable to any financial institution and any TSC application fees payable.

8. GST

- 8.1 In this clause "GST Act" means the *A New Tax System (Goods and Services Tax) Act 1999* of the Commonwealth (as amended); and Expressions used in this clause have the meanings ascribed to them by the GST Act.
- 8.2 Subject to other provisions of this clause, GST is not to be added to the Purchase Price.
- 8.3 If Item 4 of the Schedule says that the sale of the Licence and any Chattels is the supply of a going concern:
- (a) the parties agree the supply of the Licence and any Chattels is a supply of a going concern under which the Transferor is supplying to the Transferee all of the things that are necessary for the continued operation of an enterprise;
 - (b) the Transferor must, between the date of this Agreement and the Settlement Date carry on the enterprise in relation to the Licence and any Chattels in a proper and business-like way; and
 - (c) the Transferee warrants that on the date of the Supply it will be registered or required to be registered under the GST Act.
- 8.4 If the Agreement says that this sale and transfer is not a Taxable Supply, the Transferee agrees that the Licence and any Chattels will not be used and the Transferee does not intend for them to be used in a way that could make the sale a Taxable Supply.
- 8.5 If the Supply made under this Agreement does not satisfy the requirements of section 38-325 of the GST Act then:
- (a) The Transferee will be required to pay to the Transferor an additional amount equal to the GST payable on the taxable supply and any penalties or interest that may be imposed in respect of the GST payable; and
 - (b) the additional amount is payable immediately after the Transferor provides a valid Tax Invoice to the Recipient in respect of the Supply.
- 8.6 If this Agreement says that this sale and transfer is a Taxable Supply the Transferee must, on the Settlement Date, pay the Transferor an additional amount equal to the GST payable on or for the Taxable Supply, subject to the Transferee receiving a valid Tax Invoice in respect of the Supply at or before the time of payment.

9. Default Interest

- 9.1 If a party fails to pay any amount payable under this agreement that party must pay interest on any money overdue during the period of default at the rate for the time being fixed under section 2 of the *Penalty Interest Rates Act 1983* as at the date of the default. Interest accrues from day to day from and including the due date for payment up to the actual date of payment and is payable on demand.

10. Special Conditions

- 10.1 This agreement is subject to the special conditions, if any, set out in Item 8 ("**special conditions**"). If there is any inconsistency between the special conditions and any other term of this agreement, the special conditions prevail to the extent of the inconsistency.

11. Declaration

- 11.1 By signing this agreement the Transferor and Transferee declare that this Agreement constitutes the entire agreement including all payments made or due in connection with the transfer of the taxi-cab licence and any chattels (includes motor vehicle and / or taxi equipment) or other items or services associated with any agreement related to the transfer of the taxi-cab licence. Any payments associated with the transfer of the taxi-cab licence not otherwise listed in the Schedule are disclosed in Item 9 ("**additional payments**") of the Schedule.

Executed as an agreement

EXECUTED by TRANSFEROR in the presence of:

Name (please print)

Witness Signature

Name (please print)

or, if Transferor is a company:

EXECUTED by TRANSFEROR in accordance with Section 127(1) of the Corporations Act 2001:

Director/Sole Director & Sole Secretary Signature

Name (please print)

Director/Secretary Signature

Name (please print)

EXECUTED by TRANSFEREE in the presence of:

Name (please print)

Witness Signature

Name (please print)

or, if Transferee is a company:

EXECUTED by the TRANSFEREE in accordance with Section 127(1) of the Corporations Act 2001 by:

Director/Sole Director & Sole Secretary Signature

Name (please print)

Director/Secretary Signature

Name (please print)

Schedule

Item 1. Agent:

Agent (if any) acting for the Licence Holder:

Name

Address

Australian Business Number [ABN] [if applicable]

Telephone

Mobile telephone

Fax

Item 2. Settlement Date:

The date 14 days after Approval is given by the Licensing Authority for the transfer, or such other date as is agreed between the parties

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Item 3. Licence:

Taxi-cab Licence Number: (a copy of the Taxi-cab Licence is attached to this Agreement)

Purchase Price

\$

*If the Licence is a Conventional Fixed-Term Taxi-Cab Licence or a Wheel-chair Accessible Fixed-Term Taxi-Cab Licence issued under the 2010 Greater Metropolitan Taxi-cab Licence Release program, the expiry date is:

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*If the Licence is a Wheel-chair Accessible Fixed-Term Taxi-Cab Licence issued under the 2010 Greater Metropolitan Taxi-cab Licence Release program, the annual taxi-cab licence instalment payments fall due on

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 each year.

Chattels

Vehicle

Make

Model

Reg. No. or

V.I.N

Amount paid for vehicle

\$

Value of vehicle as declared on VicRoads Application for Transfer of Registration

\$

Schedule

Taximeter

Make	Model	Amount paid
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	\$ <input style="width: 100%;" type="text"/>

Taxi Safety Camera

Make	Serial No.	Amount paid
<input style="width: 100%;" type="text"/>	<input style="width: 100%;" type="text"/>	\$ <input style="width: 100%;" type="text"/>

Other Items

<input style="width: 100%;" type="text"/>	Amount paid:
<input style="width: 100%;" type="text"/>	\$ <input style="width: 100%;" type="text"/>
<input style="width: 100%;" type="text"/>	\$ <input style="width: 100%;" type="text"/>
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Item 4. GST Information:

This sale is a taxable supply.

This sale is the supply of a going concern.

Yes No

Yes No

Item 5. Payment of Purchase Price:

Deposit of \$ payable upon **signing** this Agreement, by bank cheque made payable to the Transferor's Agent as specified in Item 1 of the Schedule or to the transferor if there is no Transferor's Agent.

Balance of \$ payable on Settlement Date, by bank cheque(s) made payable to the Transferor or as otherwise directed by the Transferor in writing not less than two working days prior to the Settlement Date.

Item 6. Approval Date:

Date

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 if no date specified, the date that is 45 days after the date of this Agreement.

