

RENTAL TERMS AND CONDITIONS

1. DEFINITIONS

- a. **Contract:** This refers to the formal agreement between Quality Equipment Rental LLC (referred to as the "Owner") and the hirer for the hire of Equipment, which includes the Offer and is subject to the conditions outlined herein.
- b. **Owner:** Quality Equipment Rental LLC, a company incorporated in the Kingdom of Saudi Arabia letting the equipment on hire.
- c. **Hirer:** The Company, firm, person, Corporation, or public authority entering into the agreement to hire the Equipment.
- d. **Hire Period:** Commences from the moment the Equipment leaves the Owner's depot until it is returned to the Owner's specified location.
- e. **Working Day:** Defined as a minimum of 10 operational hours per day, extending from Saturday to Thursday, unless otherwise stated.
- f. **Monthly Rate:** Represents the cost for 26 working days (equivalent to 260 hours) per month, unless stated otherwise.
- g. **Weekly Rate:** Reflects the charge for 6 working days (equivalent to 60 hours) per week, unless specified otherwise.
- h. **Daily Rate:** Indicates the fee for 10 continuous hours of Equipment usage per day, unless exceptions are outlined.
- i. **Offer:** The detailed proposal provided by the Owner, encompassing specifics of the Equipment, duration of hire, associated rates, charges, and any supplementary conditions forming part of the Contract.
- j. **Equipment:** Encompasses all machinery, vehicles, equipment accessories, and ancillary items provided by the Owner for hire.
- k. **Operator:** An individual responsible for operating the Equipment according to the original equipment manufacturer (OEM) manuals.

2. EXTENT OF CONTRACT

Only terms explicitly outlined in the Offer form the Contract, excluding any additional terms from the Hirer's documents. This supersedes all prior agreements unless expressly agreed to in writing by the Owner.

3. ACCEPTANCE OF EQUIPMENT

By accepting the Equipment on-site, the Hirer acknowledges and agrees to abide by all terms and conditions outlined herein, unless alternate arrangements have been agreed upon in writing beforehand.

4. UNLOADING AND LOADING

The Hirer assumes responsibility for facilitating unobstructed access, unloading, and loading of the Equipment at the site, unless otherwise specified. Any personnel provided by the Owner for these purposes shall operate under the direction and control of the Hirer.

RENTAL TERMS AND CONDITIONS

5. DELIVERY IN GOOD ORDER AND MAINTENANCE

The hirer is obligated to uphold the Equipment's safety standards, operating it within manufacturer and Owner guidelines. They must also ensure that operators and designated users maintain the Equipment's fitness for purpose and safe operation. Failure to do so, resulting in damage, loss, or accidents, holds the hirer solely responsible.

6. SERVICING AND INSPECTION

The Hirer is required to grant the Owner, their agents, or insurers access to the Equipment for inspection, testing, adjustment, repair, or replacement purposes during regular working hours. Compliance with this provision ensures the ongoing maintenance and safety of the Equipment throughout the hire period.

7. INSURANCE

- a. Coverage Requirement: Both the Owner and the Hirer are obligated to ensure they possess adequate insurance coverage for all risks associated with the hire of Equipment under these Terms and Conditions. The Hirer must confirm that their insurance policy extends to cover the hired Equipment.
- b. Transfer of Risk: Upon the Equipment's possession by the Hirer, the risk of loss, theft, damage, or destruction transfers to the Hirer until the Equipment is returned and accepted by the Owner or their authorized representative.
- c. Insurance Obligations: Throughout the Hire Period, the Hirer must, at their own expense, obtain insurance covering loss, damage, fire, flood, terrorism, or theft equivalent to 100% of the Equipment's value. Additionally, third-party liability, public liability, and transportation insurance must be secured as required by local law.
- d. Deductibles: The Hirer is responsible for paying any deductibles or excess amounts associated with claims made under the insurance policies.
- e. Documentation: Before the commencement of the Hire Period, the Hirer must provide the Owner with copies of the relevant insurance policies as outlined in clause 7(c).

8. GROUND AND SITE CONDITIONS

- a. Site Suitability: The Hirer warrants that they possess knowledge of the site where the Equipment will be deployed and assures that the site's condition is suitable for Equipment use.
- b. Ground Preparation: If the Hirer deems the ground unsuitable for Equipment operation, they must provide suitable support for the Equipment's safe use, including transportation, unloading, and operation.
- c. Responsibility for Support Material: Any support materials provided by the Owner are solely for assisting the Hirer and do not absolve them of their legal obligations to ensure the Equipment's stability.
- d. Protection of Utilities: The Hirer is responsible for protecting and preventing damage to underground, surface, or above-ground services, utilities, and infrastructure on or near the site, complying with relevant regulatory requirements.

9. HANDLING OF EQUIPMENT

Quality Equipment Rental

RENTAL TERMS AND CONDITIONS

- a. **Operator Compliance:** The Hirer must ensure that any operator supplied by the Owner operates the Equipment in accordance with the OEM User Manual. Such operators are considered the Hirer's agents, and the Hirer assumes liability for any claims arising from their operation.
- b. **Operational Restrictions:** The Hirer must obtain prior written consent from the Owner before allowing any unauthorized individual to operate the Equipment.
- c. **Scope of Work:** Operators supplied by the Owner must not operate other Equipment or machinery or undertake tasks beyond those agreed upon without prior written consent.

10. BREAKDOWN, REPAIRS, AND ADJUSTMENTS

- a. **Reporting:** Any Equipment breakdown or unsatisfactory performance must be promptly reported to the Owner in writing.
- b. **Allowances for Breakdowns:** The Hirer will receive allowances for any stoppage due to breakdowns caused by inherent faults, unascertainable faults, or fair wear and tear, as per the terms of the Contract.
- c. **Repair Restrictions:** The Hirer must not repair, modify, or alter the Equipment without prior written permission from the Owner, except for puncture repairs. All expenses incurred from unauthorized repairs are the responsibility of the Hirer.
- d. **Responsibility for Expenses:** The Hirer bears all expenses arising from breakdowns, unsatisfactory performance, or damage caused by negligence, misuse, or vandalism, including the cost of spares and repairs.
- e. Any breakdowns will be repaired by Owner, on site. In case of a breakdown that requires more than 48 hours, Owner will replace the unit, subjected to availability. Hirer will bear all expenses for replacement of Equipment in case of breakdown due to Hirer's negligence, misdirection, or misuse of the Equipment.

11. OTHER STOPPAGES

Exclusion of Liability: The Owner shall not be liable for any stoppages due to causes beyond their control, such as adverse weather, ground conditions, or public holidays. Additionally, the Owner is not responsible for the cost of recovering Equipment from soft, unsuitable ground, or hazardous environments. The Hirer bears the responsibility and expense for such recovery.

12. LOSS OF OTHER EQUIPMENT DUE TO BREAKDOWN

Independent Units: Each Equipment item specified in the Contract is considered a separate unit. The breakdown or stoppage of one unit does not entitle the Hirer to compensation for the loss of working time by other units, unless expressly hired together as a unit.

13. LIMITATION OF LIABILITY

Scope of Liability: Except as expressly provided in the Contract:

- a. The Owner is not liable for losses beyond their reasonable control.
- b. The Owner is not liable for indirect or consequential losses, including loss of profit, production, contracts, or third-party liabilities.

RENTAL TERMS AND CONDITIONS

- c. Any allowances provided in the Contract against hire charges constitute the sole remedy for the circumstances, limited to the amount of hire charges.

Exception: The Owner's liability is not limited concerning claims of death or personal injury resulting from negligence, fraud, or any liability not permitted to be limited by law.

14. HIRER'S RESPONSIBILITY FOR LOSS AND DAMAGE

- a. Indemnification: Throughout the Hire Period, the Hirer is responsible for repairing or compensating the Owner for any loss or damage to the Equipment, excluding fair wear and tear. The Hirer also indemnifies the Owner against any injury or property damage claims arising from Equipment storage, transport, or use.
- b. Continuation of Hire Charges: In the event of loss or damage to the Equipment, hire charges continue at contractual rates until settlement is reached.
- c. Exceptions: The Hirer is not responsible for damage, loss, or injury:
 - i. Prior to Equipment delivery to the site.
 - ii. After Equipment removal from the site while in transit on a public highway. During Equipment travel to or from a site on a public highway under its own power with a driver supplied by the Owner.

15. NOTICE OF ACCIDENTS

Notification Requirement: In case of any accident involving the Equipment, causing injury or property damage, the Hirer must promptly inform the Owner via telephone and follow up with written confirmation within 12 hours. The Hirer must provide incident reports, photos, and, for road accidents, police reports. No admission of liability or promises of payment should be made without the Owner's prior written consent.

16. EQUIPMENT RE-HIRING

Restriction on Sub-leasing: The Equipment or any part thereof cannot be re-hired, sub-let, or lent to any third party without the Owner's prior written approval.

17. SITE CHANGE

Site Movement: The Equipment shall not be relocated from its initial delivery site without prior written permission from the Owner.

18. EQUIPMENT RETURN FOR REPAIRS

Urgent Repairs: If urgent repairs are required during the Hire Period, the Owner may arrange for on-site or off-site repairs. The Owner will replace the Equipment if necessary, covering transport charges. Failure to replace the Equipment may result in Contract termination by the Owner, with the Owner responsible only for return transport costs.

19. CHARGING BASIS

- a. Minimum Hire Charges: Standard hire is for one month, representing 10 continuous working hours per day, 26 days per month. Additional hours are charged pro rata or at the double shift rate.

RENTAL TERMS AND CONDITIONS

- b. Weekly and Daily Rates: Charges apply based on weekly or daily rates, with adjustments for partial months or weeks.
- c. Responsibility for Repairs: The Hirer is responsible for tire repairs and replacements, with no reduction in hire charges during this period.
- d. Additional Services: Additional services requested by the Hirer, such as Calibration or Voltage Changes, will incur extra costs.
- e. Tax Responsibilities: The Hirer is responsible for paying all applicable taxes and duties related to the rental.

20. EQUIPMENT HIRED ON A DAILY BASIS

Charging Basis: The full daily rate applies irrespective of hours worked, except in the case of breakdowns for which the Owner is responsible.

21. EQUIPMENT HIRED BY THE WEEK OR MONTH

Charging Basis: Weekly or monthly rates apply regardless of hours worked, with allowances for breakdowns for which the Owner is responsible. Early off-hires are subject to charges as per the agreement.

22. COMMENCEMENT AND TERMINATION OF CONTRACT (TRANSPORT OF EQUIPMENT)

- a. Commencement: The Hire Period starts when the Equipment leaves the Owner's depot and ends upon its return to the designated location.
- b. Failure to Return: If the Equipment isn't returned as agreed, the Hirer is responsible for its safekeeping and the Owner's collection expenses.
- c. Cleaning Requirement: Upon completion of the Hire Period, the Hirer must clean and, if needed, decontaminate the Equipment. Failure to do so may incur additional costs.

23. HIRER'S LIABILITY DURING NOTICE OF TERMINATION OF CONTRACT

- a. Termination Notice: Termination requires seven days' written notice, except in cases of loss or damage to the Equipment.
- b. Failure to Return: If the Equipment isn't made available for collection, the Hirer's obligations persist for an additional three days.
- c. Costs of Termination: If the Hirer terminates the Contract before it commences, they're liable for incurred costs and charges.

24. OTHER CHARGEABLE ITEMS RELATING TO DRIVERS AND OPERATORS OF EQUIPMENT

Expenses: All chargeable items related to drivers and operators must be paid by the Hirer at the rates outlined in the Contract.

25. TRAVELLING TIME AND FARES

Expense Coverage: The Owner won't charge for expenses incurred by their employees unless due to the Hirer's negligence.

26. FUEL, OIL AND GREASE

RENTAL TERMS AND CONDITIONS

Supplies Responsibility: The Hirer is responsible for using the specified fuel, oil, or grease. Any damages due to incorrect usage are the Hirer's responsibility.

27. OWNER'S NAME DECALS

Decal Handling: The Hirer cannot remove or cover the Owner's name decals without prior written permission. Charges may apply for restoration.

28. TRANSPORT

Transportation: The Hirer arranges and covers the cost of transporting the Equipment to and from the designated locations. Delays in loading/offloading incur extra charges.

29. GOVERNMENT REGULATIONS

- a. **Compliance Responsibility:** The Hirer must comply with all relevant Government or Local Authority regulations.
- b. **Indemnification:** The Hirer must indemnify the Owner against any charges or fines resulting from Equipment operation during the Hire Period.

30. PROTECTION OF OWNER'S RIGHTS

- a. **Restrictions on Equipment Handling:** The Hirer cannot re-hire, sell, or deal with the Equipment except as specified. Failure to comply may result in financial liability.
- b. **Termination by Owner:** The Owner may terminate the Contract if the Hirer defaults on payment, breaches terms, faces distress or execution, or jeopardizes the Owner's rights.
- c. **Consequences of Termination:** Upon termination, the Owner can recover outstanding charges and return transport costs. Rights under termination clauses do not waive other claims.
- d. **Right to Suspend Performance:** The Owner may suspend obligations if the Hirer fails to pay. Suspension requires a 7-day notice and ends upon full payment.

31. DISPUTE RESOLUTION

- a. **Jurisdiction:** Disputes arising within the Kingdom of Saudi Arabia will be governed by its courts, while those outside will be governed by the country of the Owner's head office.
- b. **Adjudication:** Both parties can refer disputes to adjudication according to Kingdom of Saudi Arabia's procedures.

32. LATE PAYMENTS

- a. **Costs Associated with Late Payment:** The Owner may charge for administrative, legal, and hire costs for late payments.
- b. **Administration Charge:** Unpaid invoices incur a monthly administration charge until full payment is received.

33. SEVERABILITY

Clause Validity: If any clause is deemed unlawful or unenforceable, it will be severed without affecting the validity of the remaining clauses.