

RENTAL AGREEMENT – TERMS & CONDITIONS

DEFINITIONS

1. **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.
2. **Owner/ Lessor / First Party:** Quality Equipment Rental LLC, a company incorporated in the United Arab Emirates leasing the equipment on hire.
3. **Hirer /Lessee / Second Party:** The Company, firm, person, Corporation, or public authority entering into the agreement to hire the Equipment.
4. **Hire Period:** Commences from the moment the Equipment leaves the Owner's depot until it is returned to the Owner's specified location.
5. **Working Day:** Defined as a minimum of 10 operational hours per day, extending from Saturday to Thursday, unless otherwise stated.
6. **Ramadan Timings:** During Ramadan period, The work time is 8 hour per day.
7. **Monthly Rate:** Represents the cost for 26 working days (equivalent to 260 hours) per month, unless stated otherwise.
8. **Weekly Rate:** Reflects the charge for 6 working days (equivalent to 60 hours) per week, unless specified otherwise.
9. **Daily Rate:** Indicates the fee for 10 continuous hours of Equipment usage per day, unless exceptions are outlined.
10. **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.
11. **Equipment:** Encompasses all machinery, vehicles, equipment accessories, and ancillary items provided by the Owner for hire.
12. **Operator:** An individual responsible for operating the Equipment according to the original equipment manufacturer (OEM) manuals

This Rental Agreement (“Agreement”) is entered into between **Quality Equipment Rental (QER)**, hereinafter referred to as the “**Lessor / First Party**”, and the customer renting the equipment, hereinafter referred to as the “**Lessee / Second Party**”.

1. Ownership & Nature of Agreement

- a) All equipment rented under this Agreement is provided strictly under an **operating lease concept**. Ownership of the equipment shall at all times remain with the Lessor.
 - b) Nothing contained in this Agreement shall be construed as transferring any right, title, or interest in the equipment to the Lessee.
 - c) Any future purchase of equipment by the Lessee shall be governed by a **separate sales agreement**, independent of this Agreement.
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2. Hiring Agreement, Documentation & Validity

- a) This Agreement, along with any related **Hiring Agreement, Delivery Note, Liability Letter, or Quotation**, must be **signed and stamped by the Lessee prior to release of the equipment**.
 - b) Any quotation issued by the Lessor shall remain valid for **fourteen (14) days**, unless stated otherwise.
 - c) This Agreement shall be deemed valid and binding only if **no alterations or amendments** are made without the Lessor’s written consent.
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3. Reservation, Advance Payment & Credit Approval

- a) All equipment reservations are subject to availability and confirmation by the Lessor.
 - b) The Lessor reserves the right to request:
 - Advance rental payment (including first month rental), and/or
 - Security deposit, and/or
 - Credit application approval (as a condition for confirming the reservation)
 - c) Credit limits and payment terms are granted **solely at the discretion of the Lessor** and may be revised or withdrawn at any time.
 - d) Failure to receive agreed advance payment may result in **automatic cancellation** of the reservation without liability to the Lessor.
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4. Payment Terms & Non-Payment

- a) Rental invoices shall be payable within the agreed credit period from the invoice date.
 - b) In the event of failure to settle outstanding invoices within the approved credit period, the Lessor reserves the right to:
 - Suspend or terminate the hire after **two (2) days' written notice**, and
 - Recover the equipment from site without liability for project delays or losses incurred by the Lessee.
 - c) All outstanding amounts shall remain payable irrespective of equipment off-hire due to non-payment.
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5. Hire Period & Commencement

- a) The hire period shall commence on the **date the equipment leaves the Lessor's yard or warehouse**, unless otherwise agreed in writing.
 - b) The hire period shall cease only when the equipment is **returned to the Lessor's designated yard or warehouse**, in acceptable condition and accompanied by an approved off-hire confirmation.
 - c) For cross-border mobilization (including but not limited to UAE–KSA movements), the hire shall commence on the **date of customs clearance** and continue until return to the Lessor's yard.
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6. Rental Rates, Working Hours & Overtime

- a) Rental rates are based on the following standard working conditions, unless stated otherwise:
 - **Daily rate:** Up to 10 working hours per day
 - **Weekly rate:** Up to 10 working hours per day, 6 days per week
 - **Monthly rate:** Up to 10 working hours per day, 6 days per week, and 26 days per month
 - b) Any hours worked beyond the above limits shall be considered **overtime** and charged at pro rata basis.
 - c) Overtime shall apply separately to **equipment and operators**, where applicable.
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7. Maintenance, Service & Repairs

- a) Routine maintenance, servicing, and repairs due to normal wear and tear shall be carried out by the Lessor.
 - b) The Lessee is fully responsible for:
 - Proper operation and usage of the equipment
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- Daily checks and safe working practices
 - Safekeeping of the equipment at site
- c) Repairs arising from misuse, negligence, overloading, unauthorized modifications, or improper operation shall be charged to the Lessee.
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8. Breakdown, Standby & Stoppages

- a) In the event of breakdown or unsatisfactory performance, the Lessee shall **immediately notify the Lessor**.
- b) Stoppages caused by normal wear and tear shall not be charged for repair or breakdown hours.
- c) Standby or stoppages caused by factors beyond the Lessor's control, including but not limited to bad weather, site conditions, access restrictions, or client delays, shall be charged as **normal rental hours**.
- d) Breakdown or stoppages resulting from Lessee negligence, misuse, or misdirection shall be fully chargeable, including repair and standby costs.
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9. Fuel & Consumables

- a) Unless otherwise agreed in writing, **all fuel and consumables** required for the operation of the equipment shall be provided by the Lessee.
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10. Responsibility, Supervision & Liability

- a) All equipment and personnel provided by the Lessor shall remain under the **sole supervision, control, and responsibility of the Lessee while on site**.
- b) The Lessor shall not be liable for any accidents, injuries, losses, or consequential damages to persons or property arising during the hire period.
- c) The Lessee shall indemnify and hold harmless the Lessor against all claims, damages, penalties, and legal costs arising from site operations.
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11. Loss, Damage & Insurance

- a) The Lessee is fully responsible for protecting the equipment from loss, theft, or damage during the hire period.
- b) Any loss or damage (other than fair wear and tear) shall be repaired or replaced at the Lessee's cost.
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- c) The Lessor reserves the right to invoice the Lessee for cleaning, repair, transportation, and downtime resulting from damage.
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12. Off-Hire & Early Termination

- a) Off-hire requests must be submitted **in writing at least two (2) days in advance**.
 - b) Equipment shall remain on hire until physically returned and accepted by the Lessor.
 - c) In the event of early off-hire, the applicable rental rate shall be **recalculated** based on the actual hire duration.
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13. Delivery & Collection

- a) Delivery and collection shall be conducted during **Saturday to Thursday, 08:00 to 17:00**.
 - b) Deliveries or collections outside these timings may attract **additional charges**.
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14. Permits, Passes & Regulatory Approvals

- a) The Lessee shall be solely responsible for obtaining all required permits, approvals, and passes, including but not limited to:
 - Lifting permits
 - Municipality or authority approvals
 - NOCs
 - Risk assessments
 - Lifting plans
 - Site access passes
 - b) Any delays or penalties arising from permit-related issues shall be borne entirely by the Lessee.
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15. Taxes, Duties & Government Charges

- a) All applicable taxes, duties, withholding taxes, customs charges, permits, and governmental fees related to the equipment and personnel shall be borne by the Lessee.
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16. Non-Transferability

- a) This Agreement is non-transferable. The equipment shall not be sub-hired, relocated, or transferred without the Lessor's prior written consent.
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17. Governing Law & Jurisdiction

Any disputes or discrepancies in connection with the rental agreement and default of any kind of payments, whatsoever which cannot be settled amicably will be governed by and remain under the Jurisdiction of Dubai International Financial Centre (DIFC) courts. There is no limit to the amount for which the case is filed.

18. Entire Agreement

- a) This Agreement constitutes the entire understanding between the parties and supersedes all prior discussions or representations.