

# General terms and conditions for equipment rental



## 1. INTRODUCTION

1.1 These general terms and conditions for equipment rental form an integral part of the rental agreement/quote/order confirmation/issue note between the Lessee and Lessor. If discrepancies should occur between the quote/order confirmation/issue note and these general terms and conditions, the quote/order confirmation/issue note shall take priority over these General Terms and Conditions.

1.2 Whenever reference is made below to the rental agreement, this shall mean the quote/order confirmation/issue note.

1.3 The equipment may be owned by a third party and these General terms and conditions shall likewise apply to such equipment.

## 2. DELIVERY AND INSTALLATION

2.1 The rented equipment shall be supplied with the necessary accessories so that it is ready for use. It should be noted, however, that no lifting devices, spare parts, replacement wires, chains etc. will be supplied. Reference is further made to sub-clause 5.3 as regards other issues/items that are not included in the lease agreement.

2.2 The lessor does not supply machine operators or instructors.

2.3 The rented equipment shall be delivered to the lessee's site on the commencement date of the rental period and if necessary, installed by the lessor. The lessee shall not be entitled to use the equipment prior to completion of installation and approval by the lessor. If it has been agreed that the lessee performs the installation himself, the rental period shall commence on the date the equipment leaves the lessor's site.

2.4 Lessee will be charged for lessor's delivery, installation and other start-up expenses together with the first rental payment. Payment for delivery, installation and other start-up expenses is stated in the quote and applies to weekdays between 7 am and 4 pm.

2.5 If the commencement date of the rental period cannot be met by the lessor due to documented orders

received prior to receipt of the lessee's acceptance, the lessor shall as soon as possible notify the lessee thereof after which both parties shall be released from their agreement. The lessor therefore reserves the right to interim leasing.

2.6 The rented equipment shall be delivered in clean and functioning condition and in accordance with the specifications contained in the rental agreement. The lessee shall ensure this on delivery irrespective of whether the delivery of the equipment takes place to the lessee's or lessor's site. If the delivered equipment is not in accordance with the agreement and/or is not in a clean or functioning condition, the lessee shall on the same day as delivery has taken place make a claim/notify the lessor thereof. If lessee fails to do so, he forfeits any and all rights to claim the equipment as not being in clean, functioning condition or not as specified in the agreement. Installation and any internal relocation shall take place in a continuous workflow for the lessor within normal working hours without stoppages or waiting time.

2.7 Planks for corbels, blocking-up, covering, screening over doors and gates, walkways from pulley to building and other non-standard accessories shall be supplied and installed by the lessee according to applicable legislation/norms/regulations.

2.8 Excavation, repair of holes for cabling and hoses, removal of building materials used for the attachment of temporary installations, connection and disconnection of utilities and subsequent repairs shall not be included in the rental agreement.

2.9 Participation in construction meetings, safety meetings and similar meetings on site shall not be included in the quote and shall be invoiced at an hourly rate.

## 3. LESSEE'S SITE

3.1 Irrespective of whether delivery and installation are carried out by the Lessee or Lessor, the Lessee shall be responsible for ensuring that the site meets the following conditions – including that the site must be level (max. +/-2 mm per metre), including that the site must be viable and that foundations and stability conditions must be in order as regards the rented equipment, including ensu-

ring unhindered and permanent access and loading and unloading conditions for trucks, cranes, mobile cranes and trailers to the loading and unloading point – that correct delivery, installation and use of the leased equipment can take place without danger to persons or property. The lessor shall be entitled to require the lessee to provide information about the above conditions.

3.2 Prior to the date of delivery, the lessee shall be required to provide, as necessary, power supply, preparation of access ways, levelling, laying of rails or iron plates, concrete foundations, preparation of storage space in the vicinity of the assembly site or other measures necessary for the correct and legal delivery of the equipment, installation and use on site.

3.2.1 The required power supply set out in sub-clause 3.2 shall mean both electricity supply and connection costs/fees/contributions to utility companies.

3.3 Throughout the rental period, the lessee shall guarantee that the site is legally laid out and used and that the rented equipment has been installed and assembled in compliance with legal and government authority requirements. This shall further apply even if the lessor has managed the installation on site. The lessee shall thus be liable for all claims with which the lessor may be faced in the event of disregard for the above.

3.4 The lessor shall handle reporting to the Danish Working Environment Authority as regards the lessor's installation of cranes and personal lifting equipment.

3.5 Installations may be subject to additional work and additional cost associated with weather conditions, including, but not limited to, winter measures. Additional work shall be performed as cost-effectively as possible and invoiced separately.

3.6 Roof drainage from site offices, modules and pavilions shall take place to setup areas and not drains.

3.7 The lessee shall be under obligation to pay for waiting times and costs associated with the lessee's failure to meet his obligations according to sub-clause 2 and sub-clause 3.

#### **4. LEASE TERM AND TERMINATION**

4.1 The rental period shall be agreed separately between the lessee and lessor on commencement of the agreement. The rental period may be extended in writing by mutual agreement.

4.2 The rental period shall commence on the date of delivery of the equipment according to the delivery terms and conditions contained in the rental agreement as well as sub-clause 2.3 and run until the end of the date on which the lessor collects the equipment. If the equipment on the date of the lessor's collection has been damaged, destroyed, modified or otherwise is not in a contractual condition, cf. sub-clause 9.4, the rental period shall run until the date on which the equipment is returned to a contractual condition. If it has been agreed that the lessee is to perform the installation, the lease term shall commence on the date on which the equipment leaves the lessor's site. If the lessee himself disassembles the equipment, the rental period shall run until the date on which the leased equipment arrives on site with the lessor. See, however, sub-clause 9.1.

4.3 The rental period shall be non-terminable during the minimum contract period. The rental period shall automatically be extended by one (1) month at a time unless the lessee terminates the rental agreement in writing. The notice of termination/cancellation period for the lessee and lessor shall follow the expiry of the minimum rental period. For site offices and modules, one (1) month to the end of a month; for pavilions, three (3) months to the end of a month; for cranes, lifting equipment and platforms, one (1) month to the end of a month; and for temporary installations, including building switchboards, cables etc. one (1) month to the end of a month.

4.4 In the event of extension beyond the minimum lease term, the lessor reserves the right to renegotiate the lease price.

4.5 If the lessee should postpone the agreed commencement date of the rental, the rental fee will be invoiced in full for the period from the original commencement date. If the postponement should take place within 48 hours on a weekday prior to the agreed commencement of installation/disassembly, the lessee

shall be under obligation to pay the lessor for the costs associated with the postponement.

4.6 The lessor shall be entitled to terminate the rental agreement if the agreement contains errors or incorrect calculations by the lessor. The lessor shall only be entitled to exercise this right of termination where the errors or incorrect calculations are obvious. Examples may be if the rental agreement mentions leasing fees per month where this should rightly be rental fees per day or if a rental price for one (1) item of equipment has been submitted where two (2) are to be supplied.

## **5. RENTAL FEE**

5.1 Rental fees shall apply either per working day, calendar day or month or part thereof and cover use of the rented equipment in the period from 7 am to 4 pm on weekdays. Rental fees shall be paid irrespective of whether the rented equipment is used or not.

5.2 If the rented equipment is only required for use outside the period specified in sub-clause 5.1, at week-ends or on public holidays, the lessee shall be under obligation in advance and in writing to inform the lessor and pay separately for such use. Payment shall be charged per hour or part thereof at 1/9th of the daily rate specified in the lease agreement or at 1/180th of the monthly rate specified in the rental agreement.

5.3 The applicable rate shall be stated in the lessor's quote. Energy taxes, including electricity and connection fees for utility companies, fuel, oil, lubricants etc. are not included in the rental fee.

5.4 Rental fees shall be invoiced monthly in arrears. Invoices fall due for payment fifteen (15) days after the date of the invoice. Interest according to the rates contained in the Danish Late Payment of Commercial Debts Act shall be added to late payments.

5.5 Every time the rental period exceeds twelve (12) months, 3 % shall be added to all quoted prices.

## **6. THE LESSEE'S USE OF THE RENTED EQUIPMENT**

6.1 The rented equipment shall solely be used for the purpose which has been agreed in writing.

6.2 As long as the equipment is in the possession of the lessee, the lessee shall be under obligation to use, store and otherwise safely manage the rented equipment in compliance with applicable rules and regulations as well as the lessor's instructions.

6.3 Cleaning shall be the responsibility of the lessee (cleaning services may be purchased from the lessor) during the rental period. It should be noted that cleaning includes both external and internal cleaning. Cleaning includes, but is not limited to, floors, walls, shower cubicles, basins, changing room cupboards, refrigerators, toilets, doors, facade coverings, furniture etc.

6.4 Costs for the disposal and disassembly of fixtures, signage etc. and various telephone and IT installations set up by the lessee and subsequent renovation shall be reimbursed by the lessee.

6.5 Smoking is not permitted anywhere in the rented equipment.

6.6 Two (2) standard system keys shall be provided for lockable products. Further keys shall be available for purchase. A charge will be applied to lost keys.

6.7 Applications to government authorities, where applicable, and the associated costs shall lie with the lessee.

6.8 The lessee shall be responsible for instructing the staff who are to use the equipment.

6.9 If applicable legislation or other regulations specify that a driver's certificate is required in order to use the rented equipment, the lessee shall guarantee that the rented equipment will only be used by persons holding a valid certificate.

6.10 The lessee shall not be entitled to modify or otherwise change or repair the rented equipment.

6.11 The rented equipment shall not be removed from the site agreed in the rental agreement unless this takes place as part of the transport to the lessor's site at the end of the rental period.

6.12 The lessee shall be under obligation at any time to allow the lessor access to inspecting the rented equipment and the lessee's use or storage thereof.

## **7. SUBLETTING ETC.**

7.1 The lessee shall not be entitled to sublet, lend or otherwise assign the use of the rented equipment to a third party.

7.2 The lessee shall be liable for any damage that a third party may cause to the equipment, including, but not limited to, damage due to improper use by third parties.

## **8. MAINTENANCE**

8.1 The lessee shall at his own expense regularly maintain the rented equipment (repairs, service and cleaning etc.) while it is in the lessee's care. This means, but is not limited to, relocation and reorganisation of temporary installations or parts thereof, reestablishment of temporary installations where other contractors have removed parts thereof, reconnection of automatic fuses and HPFI relays where disconnection is due to overload or errors to the connected external installation or utility items, replacement of filters on unit heaters. Reference is further made to sub-clause 6.

8.2 All repairs and inspections etc. shall be performed by the lessor – if possible at the lessee's site – or by an engineer appointed by the lessor. The lessee shall not be entitled himself to perform such repairs etc. The lessee shall be liable for any damage caused to the equipment during repair/maintenance works performed in contravention of the above. The lessor shall not be liable for repair/maintenance work that the lessee despite the above has occasioned to be performed.

8.3 Standard external maintenance of site offices, modules and pavilions shall be managed by the lessor.

8.4 Any mandatory security inspections of the rented equipment – as long as it is in the lessee's care – shall be performed by an expert at the lessee's expense.

8.5 If the lessee omits to maintain the equipment during the rented period, the lessee shall be liable to the lessor.

## **9. RETURN AND DISASSEMBLY**

9.1 The lessor shall be responsible for the disassembly of the rented equipment at the lessee's site. The rental period shall terminate when the lessor transports the equipment from the lessee's site back to the lessor's site. If it has been agreed that the lessee himself is to manage the disassembly and/or transport from the lessee's site to the lessor's site, the lessor shall be entitled to require that the lessee instead delivers the equipment to an alternative site provided that the transport distance is not thereby extended.

9.2 The lessee shall pay for the lessor's disassembly and transport of the equipment to the lessor's site or an alternative site. The applicable payment shall be stated in the lessor's quote. The payment shall solely include disassembly and transport of the rented equipment on weekdays between 7 am. and 4 pm. Reference is further made to sub-clause 2.7 which shall also apply to disassembly.

9.3 Sub-clause 3.1, sub-clause 3.2 and sub-clause 3.5 shall likewise apply to disassembly.

9.4 The rented equipment shall be cleaned by the lessee on the return date and be returned in the same condition as it was found at the commencement of the rental period.

9.5 When the rented equipment has been returned to the lessor's site, the equipment shall be inspected by the lessor within ninety-six (96) hours in order to ascertain whether the equipment is in the prescribed condition, cf. sub-clause 9.4. To the extent that this is not the case, the lessor shall be entitled to occasion cleaning and/or repair to be performed at the lessee's expense. The lessee shall reimburse the lessor's expenses for such work.

## 10. LIABILITY AND RISK

10.1 The lessee shall during the lease period assume all risk and liability as regards the use of the equipment, including injury to persons or damage to property or equipment as well as loss of the equipment. This shall apply irrespective of the cause of the damage or cause of the loss. The lessee's liability shall include all direct and indirect loss that the lessor or a third party may suffer.

10.2 If damage to or loss of the equipment is not covered by the insurance purchased by the lessor, cf. below, the lessee shall replace the equipment at new price so that the lessee reimburses the lessor's costs for the purchase of replacement equipment without the lessee being entitled to claim a reduction for improvement. The lessee shall further pay for the lessor's time in connection with the replacement purchase.

10.3 The lessee shall not be entitled to claim compensation for direct or indirect loss that has arisen in connection with the assembly, disassembly and use of the equipment. All costs that the lessee may incur as a result of work stoppages due to errors to, theft of, damage to the equipment and as a result of delayed delivery, collection, assembly or disassembly of the equipment shall thus not concern the lessor.

10.4 The lessor shall further not be liable for loss incurred as a result of force majeure-like events (accidents).

10.5 The lessor shall only be liable towards the lessee if the lessor has acted with gross negligence or with intent. In such cases, the lessor's liability shall be limited to one month's rental fees.

## 11. INSURANCE

11.1 Site offices, modules, pavilions, containers, cranes, lifting equipment, tools, self-propelled equipment, temporary installations etc.

11.1.1 The lessor shall during the rental period ensure that the rented equipment is suitably covered by all-risk insurance, including fire insurance, on standard terms for equipment. In order to be covered by the all-risk insurance purchased by the lessor, the lessee shall pay a risk

supplement of 6% of the rental price which is specified in the lessor's quote and invoice.

11.1.2 In the event of theft or insurance write-off, losses shall be calculated at fair value.

11.1.3 The lessee shall be fully liable for damage to the equipment as a result of the lessee's gross negligence, intent or breach of obligations according to the General terms and conditions for Equipment rental.

11.2 Self-propelling equipment and product liability

11.2.1 The lessor has purchased mandatory motor liability insurance for self-propelling equipment.

11.2.2 The lessor shall bear the risk for damage resulting from defects to the product (product liability).

11.3 Obligations on the part of the lessee

11.3.1 The lessor and police shall be notified of theft and vandalism to the rented equipment within twenty four (24) hours of the incident being discovered. The lessee shall ensure that the police report and claim form are submitted to the lessor.

11.3.2 The lessor shall likewise be notified of other damage to the rented equipment within twenty four (24) hours of the damage being discovered or of when the damage should have been discovered. The lessee shall be under obligation to complete a damage report which includes information about date of incident, location of incident and cause of incident. If the lessor is not notified within the specified time period, damage and theft will be invoiced in full. All notifications relating to damage to or theft of the rented equipment shall be submitted to the department from which the lessee has leased the equipment from the lessor.

11.3.3 The lessee shall be liable for the equipment until the date on which the lessor collects the equipment or the lessee returns the equipment to the lessor's site.

11.4 The lessee's excess

11.4.1 The lessee shall have an excess on damage to site offices, pavilions, containers, cranes, lifting equipment, self-propelling equipment, temporary installations etc. that is covered by insurance. The excess shall constitute 25% of the value per item in the event of insurance write-off or of the ascertained loss to a maximum of DKK 100,000.

11.4.2 The lessee shall pay any excess related to damage that is covered by mandatory motor liability insurance.

## **12. BREACH OF CONTRACT**

12.1 The rental agreement may be terminated by the lessor if the lessee is found to be in material breach of his obligations under the rental agreement. Material breach of contract shall be deemed to include:

- The lessee's failure to pay leasing fees due or failure to pay any other amount that may arise under the rental agreement with the lessor.
- The lessee's failure to maintain or inadequate maintenance of the rented equipment.
- The lessee's failure to follow operating or load regulations or the lessor's instructions relating to the use and storage of the equipment.
- The lessee's neglect or other misuse of the rented equipment.
- The lessee's wrongful assignment of the use of the equipment to a third party or to a person who is not in possession of a valid driving certificate.
- The lessee's wrongful assignment of the storage of the equipment to a third party.

12.2 On termination of the rented agreement, the lessor shall disassemble and collect the equipment at the lessee's expense. The lessee shall be under obligation to give the lessor unhindered access for this purpose. Sub-clause 9 shall likewise apply. The lessee shall be liable for all losses that the lessor may suffer due to the lessee's failure to comply with the above.

## **13. BANKRUPTCY, RECONSTRUCTION ETC.**

13.1 If the lessor goes into bankruptcy or reconstruction proceedings, the estate shall at the lessor's request state the extent to which this rental agreement will be affirmed, cf. Section 55 of the Danish Bankruptcy Act. The

response from the estate shall be provided within five (5) calendar days of the lessor's enquiry.

13.2 If the estate wishes to affirm the rental agreement, the estate shall be bound by these General terms and conditions for Equipment rental.

13.3 If the estate does not affirm the rental agreement, cf. sub-clause 13.1, the lessor shall be entitled to terminate the rental agreement. The lessee shall then become liable for all losses, direct and indirect, that the lessor may incur as a result of the cancellation.

13.4 If the lessee's bankrupt estate after the date of the bankruptcy order uses the lessor's equipment, e.g. with the lessee's subcontractors or by subletting, the lessee's estate shall be deemed to have affirmed the rental agreement with the effect that the lessee's estate shall be liable from the date of the bankruptcy order to pay the rental fees as prepreferential claims, cf. Section 93 of the Danish Bankruptcy Act.

13.5 If the lessee initiates insolvency proceedings, including a voluntary agreement or arrangements with creditors, anticipatory breach shall be deemed to exist, which shall entitle the lessor to cancel the rental agreement unless the lessee provides a guarantee as specified by the lessor for payment of the rental fees.

## **14. DISPUTES**

14.1 Disputes arising from this rental agreement between the lessee and lessor shall be settled according to Danish law. The lessor shall determine whether the dispute is to be settled by an arbitration court appointed by the Danish Building and Construction Arbitration Board – whose decision is final – or by the Danish courts.

14.2 If the lessor elects arbitration, the arbitration court shall be held in Copenhagen. If the dispute is brought before the Danish courts, the venue shall be the jurisdiction in which the lessor's headquarters are located.