



TANKERING MANAGEMENT CENTER

Tanker Equipment Rental Agreement

First Party (Owner, Lessor):

Abu Dhabi Distribution Company or Al Ain Distribution Company

Second Party (Lessee, Tanker Owner):

Tanker Owner Name:	Taker Plate Number	EID / Commercial License No.	Mobile Number:

The First Party and Second Party shall each be a **"Party"** and, together, the **"Parties"**.

Description of leased devices:

Equipment Description	Type	Number	Equipment Price (AED)
GPS & Telematics	FMS Track 2K+	1	1,755.6
Driver's Tablet	FMS Driver Tablet	1	2268
Water Flowmeter	DN80 Electromagnetic Flowmeters	1	4,991.7
Water Level Indicator	VEGAPULS C11-model code: PSC11.GB	1	1,887.9
Total Equipment Price:			10,903.2

(referred to in this Agreement, together, as the **"Equipment"**)

Equipment Lease Period:

- Lease Start Date (insert): _____
- Lease Period: 2 years (24 months)
- Lease Expiry Date: 2 years (24 months) after the Lease Start Date.
- Equipment Life Span: a period of 5 years from the Lease Start Date.

Payments

The Second Party shall pay the following amounts in accordance with this Agreement:

1. **Deposit:** 25% of the total Equipment Price (shown above), payable in advance and refundable: a) on the Lease Expiry Date provided the Second Party has satisfied all its obligations (including payment obligations) under this Agreement, or b) prior to the Lease Expiry Date if early termination of this Agreement occurs, provided that the Equipment is returned to the First Party in a condition which is satisfactory to First Party (in the case of any damage, Clause 10 shall apply).
2. **Monthly Leasing Payment:** payable monthly in advance for the Term of this Agreement and the following table sets out the amount payable each month.

Lease Period	Equipment Price (AED)	Mobile SIM Rental Cost (monthly)	Maintenance cost (Annual) (AED)	Total (AED)	Monthly Leasing Payment (AED)
2 years (24 months)	10,903.2	100.00	1090.32	11,993.52	625.00 (AED 25.00 for fittings)

* All amounts shown above are exclusive of VAT. VAT is payable upon issuance of vatable invoice as per FTA guidelines.

Payment Terms and Conditions

1. At the end of the Lease Period, ownership and responsibility (including costs) for maintenance of the Equipment will transfer from the First Party to the Second Party, provided that the Second Party may elect to: a) pay a monthly amount equal to the monthly Maintenance Cost determined by the First Party from time to time, whereby the First Party shall carry out the required maintenance of the Equipment (subject to Clauses 1 to 7, 9 to 13, 15 to 18 continuing to apply from the expiry of the Lease Period until the end of the Equipment Life Span); and/or b) transfer the location of the Equipment from one tanker to another tanker, provided that: i) the Second Party is the owner of both tankers; ii) the Second Party pays a fee equal to 20% of the total Equipment Price (shown above) on all Equipment being transferred; and iii) in the case of either election referred to in paragraphs (a) or (b) above, the Equipment (and in respect of the election in paragraph (b): both tankers) are simultaneously presented to an installation centre of the First Party for testing, examining, maintenance, calibration and re-installation.
2. The Monthly Leasing Payment amount is payable monthly in advance (or pro-rata for any portion of any month) and the First Party is authorized by the Second Party to make an automatic deduction of such amount or any other amount due under this Agreement from the balance of the Ghadeer (in the case of ADDC) or Oyoum (in the case of AADC) card held by the Second Party.
3. The First Party will use reasonable endeavours to make deductions from such card during the last week of each month.
4. The Second Party shall ensure that a sufficient balance of credit is maintained on such card at all times to meet its obligations under this Agreement.
5. If the Monthly Leasing Payment is not made due to an insufficient card balance or for any other reason between the last week of any month and the 7th day of any following month, the Second Party will be notified and requested to cure this default and make payment without delay.
6. If payment is not made on or before the 14th day of such month, each Ghadeer or Oyoum card (as applicable) held by the Second Party will be suspended and the card(s) will be reactivated only after all amounts owed by the Second Party to the First Party are paid in full by the Second Party.

General Terms and Conditions

7. **Operational responsibilities** of the Second Party:
 - to operate the Equipment in a careful and proper manner to ensure the continued integrity and uninterrupted operation of the Equipment and to not tamper with or make any alterations to such Equipment; and
 - bring directly to one of the authorized equipment installation centres of ADDC or AADC when requested to do so by First Party, or when the Second Party suspects that maintenance of the Equipment is required.
8. **Term:** this Agreement shall commence on the Lease Start Date and shall continue until the end of the Lease Period where it shall expire, subject to a) Clause 1 (if applicable); and b) any earlier termination in accordance with this Agreement prior to the end of the Lease Period (the "**Term**").
9. **Maintenance:** either: a) throughout Lease Period in consideration for the Monthly Leasing Payment; or b) following the end of the Lease Period in consideration for the applicable monthly Maintenance Cost if the Second Party elects for the First Party to continue to maintain the Equipment under Clause 1, the First Party shall undertake the service and maintenance of the Equipment so as to keep the Equipment in good working order, ordinary wear and tear excepted, provided that the First Party shall not be responsible to replace or repair any damaged Equipment. The provisions of Clause 10 shall apply to any such damaged Equipment.
10. **Damage/Replacement Cost:** The Second Party shall, at the Second Party's sole expense, replace any and all Equipment which may from time to time become worn out, lost, stolen, destroyed, damaged beyond repair, or rendered unfit for use for any reason whatsoever. All such replacement Equipment shall be free and clear of liens, encumbrances, and rights of others and shall become the property of the First Party and shall be covered by this Agreement to the same extent as the Equipment originally covered by this Agreement. The Parties may elect to enter into a new rental agreement for such replacement Equipment on terms to be agreed by the Parties. This Clause 10 shall survive termination or expiry of this Agreement.
11. **Instructions from First Party:** The Second Party shall adhere to any operational standards or instructions issued by the First Party in relation to the Equipment.
12. **Termination:**
 - By First Party: the First Party may immediately terminate this Agreement at any time due to any default by the Second Party of any of its obligations under this Agreement, or otherwise at any time, for any reason, by giving 14 days notice to the Second Party.
 - By Second Party: the Second Party may request early termination of this Agreement, and subject to the First Party consenting to this request, this Agreement shall terminate on a date agreed by the Parties, subject to the satisfaction of terms stipulated by the First Party.
 - On termination by either Party: the Second Party must return the Equipment to the First Party in a condition which is satisfactory to First Party (in the case of any damage, Clause 10 shall apply) and the Second Party shall pay the First Party a settlement amount determined by the First Party on account of the remaining unpaid balance of the Equipment Price as at the date of termination.
13. **Indemnity:** the Second Party shall indemnify, defend and hold the First Party and its employees, agents and contractors harmless from all losses, liabilities, actions, suits, judgments, obligations, fines, penalties, claims, costs and expenses (including reasonable attorneys' fees and investigative fees) arising out of the leasing of the Equipment and all acts and omissions related thereto.
14. **Security interests:** In no event shall the Second Party assert any ownership interest in or to the Equipment (subject to Clause 1) and the Second Party shall ensure that all Equipment is identified as being owned by the First Party. The Second Party shall not sell any Equipment to any third party nor grant or permit any person or business entity to assert a security or other interest in the Equipment.
15. **Liability:** the First Party shall not be liable for (i) personal injury (except to the extent exclusion of such liability is prohibited under law) or property damage, and/or (ii) lost revenue or profits, work stoppage, lost data or any other special, indirect or any kind of consequential damages relating to or arising from this Agreement. If the First Party breaches or fails to perform any obligation under this Agreement, the First Party's entire liability and the Second Party's exclusive remedy shall be the First Party's rectification of such breach or performance of any the obligation failed to be performed under the terms of this Agreement.



TANKERING MANAGEMENT CENTER

16. **Entire Agreement:** This Agreement constitutes the entire agreement between the Parties with regard to its subject matter. Each Party acknowledges and confirms that it does not enter into this Agreement in reliance on any representation, warranty or other undertaking not fully reflected in this Agreement.
17. **Assignment:** The Second Party shall not assign or otherwise transfer its rights or obligations in, under or pursuant to this Agreement. The First Party may, without the prior permission of the Second Party, assign or otherwise transfer its rights and obligations in, under or pursuant to this Agreement or subcontract any or all of its obligations under this Agreement upon the same terms and conditions to any parent company or wholly owned subsidiary or any other company holding all relevant licences and regulatory consents.
18. **Governing law and jurisdiction:** This Agreement is governed by the laws of the Emirate of Abu Dhabi and the Federal laws of the United Arab Emirates as applied in Abu Dhabi and the Parties hereby submit to the exclusive jurisdiction of the Courts of the Emirate of Abu Dhabi.

The respective duly authorized officer of each Party hereby executes this Agreement which shall take effect from the Lease Start Date:

Signature of the First Party (Distribution Company):

Signature of the Second Party (Tanker Owner):
