

PEKKANISKA'S TERMS FOR RENTAL OF CRANES 01.01.2018

1. Scope of application

These terms for rental of cranes are applied to cases where Pekkaniska Oy places a crane with its operator at the disposal of a Lessee against compensation so that the Lessee is responsible for supervising the working of the crane.

These terms are not applied to permanent employment, lifting contracting, and renting of equipment, i.e. renting cranes without operators.

In these rental terms the parties will hereinafter be referred to as the **Lessee** and the **Lessor**.

2. Obligations of the Lessee

2.1 Supervision

The Lessee is responsible for the planning and supervision of the lifting work.

2.2 Load to be lifted and working conditions

The Lessee is responsible for making sure that the weight of the load and other important factors in lifting are correct and known to both parties.

The Lessee is responsible for making sure that the carrying capacity and evenness of the ground are sufficient on the lifting site, working site, and the roads used.

The Lessee must, before the work begins or well in advance during the work, remove or protect wires, cables, pipes and the like or mark their location clearly. He must also inform the Lessor in advance about measures taken.

2.3 Mounting check

The Lessee's supervisor is responsible for making sure that a mounting check is carried out for the crane before starting lifting work.

2.4 Assisting labour and equipment

When the lifting work requires equipment of assisting labour, such as markers and load fasteners, the Lessee answers for providing them and paying them.

2.5 Compensation for cancelling

If the Lessee cancels his order of crane without force majeure, he is obliged to compensate for the loss caused to the Lessor because of the cancelling.

2.6 Insurance of load

If the Lessee considers insuring the load necessary, he must take out the insurance at his own expense.

3. Obligations of the Lessor

3.1 Observing the orders

The crane operator must in his work observe the orders and instructions given by the Lessee's supervisor. If the crane operator takes part in measures that are the responsibility of the Lessee, this does not diminish the Lessee's responsibility.

The crane operator must do his work skillfully and carefully and in accordance with safety regulations.

3.2 Crane

The Lessor will deliver an appropriate crane on the agreed date and time for the use of Lessee's supervisor, on the basis of the information given by the Lessee.

The Lessor is responsible for keeping the crane as well as its equipment and lifting accessories in proper working condition and he must also make sure that it fulfills the current safety regulations.

The Lessor answers for having the required licenses valid and in order as well as for carrying out the checks (excluding mounting check).

3.3 Delayed delivery

If there is a delay in delivery due to the Lessor, the Lessor is obliged to notify the Lessee's supervisor immediately of the delay and its cause. If the Lessor fails to notify the Lessee, the Lessor is liable to compensate for the loss caused to the Lessee. However, the agreed hourly rent is the maximum compensation unit for the time of the delay.

3.4 Working hours

The crane operator is to observe the regular working hours on the Lessee's site, if not otherwise agreed.

4. Liability for damages

4.1 The Lessee's liability for damages

The Lessee is responsible for damages caused by the obligations and actions mentioned in these terms or caused by neglecting these obligations and actions, unless he can prove having acted blamelessly.

If there is a delay in the operation of the crane because of damage caused by the Lessee, the Lessee is liable to pay the agreed hourly rent – less the saved operating costs – for the time of the delay. The operating costs include expenses for fuel and lubricants as well as repair and service.

4.2 The Lessor's liability for damages

The Lessor is responsible for direct injuries to persons or for property damages caused by the Lessor, if the Lessor or someone employed by the Lessor is shown to have neglected the normal safety precautions and care in lifting. The Lessor is not liable for any indirect injury or damage resulting from the accident. The Lessor is not liable for any loss or damage that the Lessee may suffer directly or indirectly because of delays or other interruptions in the lifting work due to the breakage, falling, or similar breakdown of the crane.

The maximum compensation payable by the Lessor for damages caused to the Lessee is twice the charge agreed for the lifting – the maximum amount, however, is sixteen thousand eight hundred (16.800) Euros.

4.3 Liability insurance

The Lessor must have a valid insurance, unless otherwise agreed in the hire contract. The Lessor is obliged to show the type and extent of the insurance, if requested.

5. Terms and conditions of payment

5.1 Hourly rent

The Lessee compensates the use of crane by paying the Lessor an hourly rent for the working period. The rent is paid for the time when

- the crane is used for work determined by the Lessee
- the crane is being moved on the Lessee's site or between different sites
- the crane boom is being extended or dismantled of the lifting accessories or tools are being changed in order to be able to carry out the lifting determined by the Lessee, or
- the crane cannot be used during regular working hours due to interruptions or other reasons, not caused by the Lessor.

The working hours do not include the time used for servicing or repairing the crane, or the operator's lunch breaks.

When the rent contract is continuous, the hourly rent is always paid for a minimum of eight (8) hours in a shift. The hourly rent is also paid for parts of an hour.

5.2 Lifting accessories

The rent of a crane does not include lifting accessories. The payment for the use of any lifting accessory must be agreed on separately.

5.3 Assisting labour and equipment

If different platforms, supporting plates, and the like are required when moving the crane to the site or on the site, or mounting the crane, the Lessor may provide them against separate compensation by the Lessee.

5.4 Moving the crane

The moving of the crane to the Lessee's site and back from the site is always compensated either by the hourly rent or by the mileage.

- When the crane is moved to the Lessee's site with its own engine and the site is situated not more than 20 kilometers from the location of the crane, the Lessee is to pay two (2) hours' rent as a compensation for the moving costs.
- When the crane is moved to the Lessee's site with its own engine and the site is situated more than 20 kilometers from the location of the crane, the Lessee is to pay either a minimum of two (2) hours' rent or by the mileage or as separately agreed.
- When the crane or parts of it are moved to the Lessee's site and back to their location by any separate transport equipment, the Lessee is to pay the expenses caused.

If the mounting or dismounting of the crane requires the use of helpers, auxiliary cranes etc. the Lessee is to pay the expenses caused.

5.5 Overtime work

The Lessee is to pay the crane operator's overtime premium according to our price list and a valid collective labour agreement plus social security contributions.

5.6 Payment terms

The Lessee is obliged to pay the invoices presented to him by the Lessor within 14 days from the date of the invoice, unless otherwise agreed in the contract. For overdue invoices the Lessee is to pay an annual penal interest which exceeds the official reference rate by 7 (seven) percentage unit and the cost caused by collection. The Lessor is also entitled to charge the Lessee for an invoicing fee and liability insurance.

6. Special provisions concerning work

6.1 Right to decline a task

The crane operator is entitled to decline a task if he considers there to be an obvious risk on injury or damage either to himself, the crane, the Lessee or a third party.

6.2 Storing the crane

The Lessee is obliged to arrange a place to store the crane on the site or near it, if requested.

6.3 Tasks deviating from the contract

Using the crane on different sites or in clearly different tasks from those specified in the contract must be agreed on separately.

7. Special provisions concerning the contract

7.1 Force Majeure in carrying out the contract

Force majeure is determined as an event that is independent from the Lessee or the Lessor and that essentially prevents, impedes, or delays the fulfillment of the contract.

A strike, blockade, blockout, or other comparable industrial action is also considered force majeure as regards this contract term.

Both parties are entitled to cancel the contract in case of such force majeure that causes unreasonable convenience to a party, not due to himself.

Neither party is entitled to claim a compensation for the possible losses caused by force majeure.

7.2 Governing law and dispute resolution

These terms for rental of cranes (including any accompanying offer letter or other document) and all issues in connection with contract on mobile crane renting shall be governed by and construed in accordance with the laws of Finland, without giving effect to its conflict of law rules.