

## **EQUIPMENT RENTAL TERMS AND CONDITIONS**

All rentals made by Crescent Subsea Engineering Sdn Bhd. (hereinafter called "Lessor") to its equipment rental customers (hereinafter called "Lessee") are subject to the following Equipment Rental Terms and Conditions. Lessee's acceptance of these terms and conditions shall be made by either

(a) Lessee providing a purchase order number to Lessor or

(b) Lessee's acceptance of any equipment from Lessor, whichever occurs first.

### **1. Availability, Acceptance and Governing Provisions.**

1.1 All equipment rentals are subject to availability of equipment at time of order. No orders for equipment rental machines or products of Crescent Subsea Engineering Sdn Bhd shall be binding upon Lessor until accepted in writing by an authorized official; and in all events any such order shall be subject to these terms and conditions which shall be deemed part of such order upon acceptance thereof by Lessor. No additional agreements will be binding upon Lessor unless specifically agreed to in writing. Failure of Lessor to object to provisions contained in any purchase order or other communication from a Lessee shall not be construed as a waiver of these terms and conditions, nor an acceptance of any such provisions. This contract and these terms and conditions shall constitute the entire agreement between Lessor and Lessee, and shall be governed by and shall be construed according to the laws of Malaysia.

### **2. Rental Period.**

2.1 The rental period begins on the day of shipment from the originating rental facility, and ends on the day of the equipments return to the originating facility. No allowance is made for Sundays, Holidays or time in transit. Lessee is obligated to return equipment to the originating facility or incur additional expense unless other arrangements have been agreed to in writing by Lessor's authorized official.

### **3. Equipment Usage.**

3.1 Lessee agrees that equipment usage shall be normal and customary, and warrants that Lessee is familiar and experienced in the safe operation of the equipment. Training in proper handling and safe operation is strongly recommended for inexperienced or first time users of the equipment. Lessee agrees that equipment rental does not grant Lessee any title or property rights in the

equipment, all title and property rights shall remain with the Lessor.

### **4. Condition of Equipment.**

4.1 Lessee hereby acknowledges receipt of the equipment in good working order. Lessee further acknowledges that it has examined the equipment and declares that it has received all of such equipment in secure and good working condition. Lessee's failure to object in writing to the condition of the equipment within 6 hours after receipt thereof shall be deemed conclusive that all of the equipment was in good working order when delivered.

### **5. Minimum Order and Returns.**

5.1 All orders shall be subject to Lessor's minimum order amount of \$100.00 USD, or a surcharge may be assessed. Lessee may order additional items (such as tooling) at order acceptance to meet minimum order amount. Standard tooling, bits and blades (new in original sealed factory packaging) with a combined retail value of \$100.00 USD or greater may be returned. Returned standard tooling with a combined retail value under \$100.00 USD will not be accepted for return, and shall remain the property of the Lessee. Nonstandard, specially designed & manufactured tooling will not be accepted for return. All returns must be preapproved by Lessor and returned in resalable condition at Lessee's expense. All tooling returns are not subject to a restocking fee, however freight charges are non refundable.

### **6. Payment.**

6.1 All prices are quoted, and payments must be received, in U.S. Dollars (USD). Unless otherwise expressly stated all prices are subject to change without notice. Terms of payment are Net 7 days on open account, Letter of Credit or Sight Draft. COD or cash in advance may be required. Invoices are due and payable within 7 days of invoice date ("due date") unless otherwise expressly indicated, and a late payment charge of one and five percent (5%) per month may be added to any invoiced amounts unpaid when due.

### **7. Shipping and Freight Charges.**

7.1 The Lessee is responsible for all freight charges incurred on all equipment rental and accessory orders, both outbound and inbound, from the originating Lessor's facility. Freight shipments arranged by Lessor are prepaid, and will be added to the Lessee's invoice subject to an additional handling charge as applicable. Equipment may be shipped Freight Collect or charged to the Lessee's shipping account if Lessor is supplied Lessee's carrier information at order acceptance.

## **8. Taxes and Other Charges.**

8.1 Lessee shall bear applicable federal, state, municipal, and other government taxes (such as manufacturer's tax, retailer's occupation tax, use tax, sales tax, excise tax, duty, custom, inspection or testing fee, etc.) Taxes, fees or charges of any nature whatsoever imposed by any governmental authority, on or measured by the transaction between Lessor and Lessee, are not included in prices shown and must be added in sales record of Lessee. Exemption certificates, valid in the place of delivery, must be presented to Lessor at order acceptance and prior to shipment if they are to be honored.

## **9. Damage, Loss or Missing Components.**

9.1 Lessee agrees to pay for any damage or loss of the equipment, regardless of cause, and keep the equipment, tools, and accessories in good repair and operating condition at all times. Equipment returned from Lessee inoperative, damaged or with missing components will be refurbished to original working order by Lessor at Lessee's expense. Lessee shall be notified of refurbishing and missing component costs, including parts and labor, prior to the repair. All equipment which cannot be returned to Lessor due to contamination or other causes will be invoiced to Lessee at its current list price.

## **10. Loaner Equipment.**

10.1 Loaner equipment is subject to these terms and conditions, ask your sales representative for details. As per equipment rental agreements, customer shall be responsible for all outbound and inbound prepaid freight charges, plus lost or damaged parts, on machines loaned while awaiting delivery of new equipment. Customer will be allowed (1) week after receipt of new equipment to return loaner equipment to the originating Crescent Facility. Standard weekly rental rates will be billed from 8th day onward until the loaned equipment has been received at the originating Crescent Facility.

## **11. Liability and Indemnity.**

11.1 The Lessee shall be liable for all damage arising from equipment rental use, misuse or negligence of Lessee, including any accidents to persons or property arising thereof. Lessee covenants and agrees to indemnify and hold harmless Lessor free from any and all claims, actions, suits, damages and liabilities, including attorney's fees, arising out of, connected with, or resulting from the rented equipment and/or its complimentary tools or attachments. This includes, without limitations, the manufacture, selection, delivery, possession or use of the rented equipment.

## **12. Compliance with Export Laws.**

12.1 If Lessee delivers products to others who may use the products outside of Malaysia, Lessee acknowledges and shall advise others that the products are controlled for export by Customs and Excise, and that the products may require authorization prior to export from Malaysia or re-export. Lessee agrees that it will not export, re-export or otherwise distribute products in violation of any export control laws or regulations of Malaysia. Lessee further warrants that it will not export or re-export, directly or indirectly, any products to embargoed countries or sell products to companies or individuals listed on the Denied Persons List published by the Department of Commerce.

## **13. Anti-Corruption.**

13.1 Lessee agrees it has not made and will not make any direct or indirect payment, offer to pay or authorization to pay any money, gift or valuables to any government official or the immediate family of such official, for the purpose of influencing an act or decision of the government or such individual in order to assist, directly or indirectly, Lessee in obtaining or retaining business, or securing an improper advantage.

## **14. Consequential Damages.**

14.1 Lessor shall not be liable for any consequential, incidental or contingent damages whatsoever.

## **15. Subletting.**

15.1 No part of the equipment shall be sublet, transferred or assigned by Lessee or removed from the location at which it was intended by Lessor to be used, as represented by Lessee, except with the prior written consent of Lessor.

## **16. Title.**

16.1 Title to the equipment is now and at all times hereafter shall remain and be vested only in Lessor. Lessee shall keep the lessee's interest in this agreement and the equipment free from all liens and encumbrances.

## **17. Insurance.**

17.1 Lessee shall acquire comprehensive, all-risk insurance against loss, theft, damage or destruction of the equipment in an amount no less than the full insurable value of the equipment. Lessor shall be named insured on Lessee's insurance policy and all

proceeds for such loss shall be payable solely to Lessor. Lessee shall also provide comprehensive general liability insurance (including products liability) in an amount not less than USD \$1,000,000.00. Such insurance certificate shall provide Lessor with ten (10) days notice of any cancellation. A certificate of insurance must be received by Lessor before any equipment is shipped or allowed to be picked-up.

#### **18. Default.**

18.1 In the event of Lessee's default or breach of any term or condition of this agreement, Lessor may terminate this agreement and declare the entire unpaid balance immediately due and payable, and in addition to any remedy provided by law, at Lessor's request Lessee shall immediately:

18.2 assemble the equipment and make it available to the Lessor at Lessee's premises, or at such other place as Lessor may designate;

18.3 permit Lessor to enter upon Lessee's premises and remove the equipment or render it unusable; or

18.4 permit Lessor to dispose of the equipment on Lessee's premises in such manner as Lessor may determine.

#### **19. General.**

19.1 These terms and conditions, as published on the Crescent Subsea Engineering Sdn Bhd website located at [www.crescentsubsea.com.my](http://www.crescentsubsea.com.my) at the time of equipment rental, are the official equipment rental terms and conditions between Crescent Subsea Engineering Sdn Bhd (Lessor) and equipment rental customer (Lessee), and may be amended from time to time without notice at Lessor's sole discretion.