



TERMS OF HIRE

1. Subject matter of contract and contracting parties.

The subject matter of this commercial contract is the transfer by the owner, on a hire basis, of the machinery identified in the schedule.

The owner, legitimate proprietor of the material subject matter of this contract, transfers its use and enjoyment in good working order and with all its accessories, to the hirer, who receives them in full agreement and undertakes not to carry out any transfer, lease or subrogation activities, unless with prior written consent from the owner, the hirer bearing whatsoever costs as may arise from breaching these undertakings.

2. Term.

2.1 With return date agreed.

The term of the hire period commences on the day when the material is delivered or released by the owner to the hirer, and ends on the date agreed for the return and delivery of the hired machinery.

The agreed start and end dates of the contract may only be modified by express agreement between the parties. However, the contract may be terminated unilaterally by either of the two parties if the other party breaches the obligations stated for them in the Schedule or General Terms and Conditions.

By mutual agreement, the parties may extend the term of the hire contract and specify a new date for the return of the hired machinery.

If the parties agree to extend the hire contract without specifying a new date for the return of the hired machinery, the term of the contract shall be determined as specified in clause 2.2.

2.2 Without return date agreed.

In the event that return date for the hired plant and equipment is not agreed, the term of the hire period is established as ONE (1) calendar day from the day on which the owner hands over or releases the hired machinery to the hirer.

Once the period described in the paragraph above has elapsed, the contract shall automatically be extended by equal periods of ONE (1) calendar day, unless either of the parties, with a minimum notice period of ONE (1) day, expresses to the other party in writing and by any means ensuring recorded acknowledgment of receipt by addressee, their wish to terminate the contract.

3. Contractual liability.

From the time of their delivery, the owner is no longer liable for the machinery and accessories, the hirer accepting all risks for their wear and tear, total or partial loss for whatever cause, including robbery, and for liability for all material and



personal damages and injuries which may be caused by the aforementioned machinery or with it

and its accessories to third party property or persons throughout the term of the contract, since the hired material is not under the control of the owner.

The hirer may not file any claim or request a discount for loss of income or similar, other than in the event of the owner breaching their obligations.

Once the hirer has given notification of their wish to end the hire agreement, and up until the moment when the machinery is effectively removed by the owner or any of their authorised agents, the hirer shall be responsible for the correct safekeeping and supervision of the machinery and the owner may file a claim for any damage to the hired material until its removal.

4. Price, costs and taxes.

The hire price and payment method jointly agreed on by the parties and specified in the schedule of the contract are freely accepted by the parties and are an undertaking which may not be broken or amended.

The financial conditions are agreed for a maximum use of eight hours per day of work. In the event of the 8 hours specified by the contract being exceeded, the hirer shall pay a price supplement proportional to the additional hours of use, the owner being able to monitor the duration of the working day in whatever manner they deem appropriate. For working days in excess of 8 hours, the owner shall be notified so that provision may be made for the conservation and maintenance of the machinery.

The hirer shall always bear the costs of, and invoice as separate items, the transport, loading and unloading of the material at the beginning and end of the contract, and the cost of the insurance agreed, VAT and other national, Autonomous Community and local taxes for all the items listed.

5. Transport, delivery, movement and return.

The transport of the hired material, and the costs of loading and unloading, shall always be borne by the hirer. The owner may undertake these services if so requested by the hirer.

When the hirer undertakes the transport of the hired machinery, this shall be done entirely under their own responsibility.

The machinery subject matter of the contract shall be delivered by the owner to the hirer in the location agreed by the parties as indicated in the schedule, and may not be moved from the location specified unless the owner has given their prior written authorisation to do so, the hirer bearing on their own account and risk all the costs arising from the aforementioned activity. At the end of the hire period, the machinery, equipment and accessories shall be returned to the owner in the



agreed manner and in the same condition as they were delivered, other than normal wear and tear through use.

6. Substitution of plant and equipment.

Throughout the term of the contract, and adhering to the other agreements made, the owner reserves the right to substitute the machinery hired with other of similar features and with the capacity required to perform the work agreed, the owner bearing the costs of such substitution.

If it is the hirer who requests substitution, the hirer shall bear the costs arising from the substitution.

7. Hirer obligations.

7.1 Use.

The machinery, equipment and accessories hired shall be used solely and exclusively for the purposes for which they have been contracted and in the location specified, and shall be used strictly in accordance with the general health and safety regulations in force.

7.2 Prohibited uses.

Any usage not in accordance with the appropriate uses and features of the hired material is prohibited (these being understood as those for which the machinery has been designed within its own limits).

Any usage not in accordance with the appropriate uses and features of the hired material shall entitle the owner to terminate the hire contract and to request return of the material, which shall be done immediately upon receipt of such request.

7.3 Personnel.

The hirer shall employ duly trained personnel who hold the licences required to operate the machinery, and shall know the operations regarding its operation, maintenance and safety, in addition to the manufacturer instruction manual and recommendations from the owner, and undertakes not to use persons under the influence of alcohol or drugs.

7.4 Checks and maintenance of the material.

The hirer shall be obliged to undertake daily inspections and adjustment of levels and other liquids in the machinery and its accessories, checking and maintaining the necessary and recommended components as indicated by the manufacturer and owner, including recommended air pressure in tyres where applicable.

For the purposes stated in the paragraph above, the hirer shall use the components supplied or recommended by the owner in order to prevent mixtures and possible confusion.

The time required for these inspections shall not give rise to a discount on the hire price.



The use of incorrect fuels or those not authorised by law is entirely prohibited. Any damage, breakdowns and penalties arising from incorrect use of same shall be borne by the hirer.

In the event of GAM being subject to a financial penalty due to a cause attributable to the hirer during use of the machinery, GAM reserves the right to recover the cost of the aforementioned financial penalty from the hirer, without the hirer being entitled to claim any exemption from liability whatsoever. GAM likewise reserves the capacity to decide, unilaterally, on the payment method for the financial penalty. This system shall extend to whatsoever other taxation infringements as may arise from same.

The consequences of the hirer's ignoring the restrictions and prohibited uses specified by applicable law shall be directly attributed to them without the hirer being entitled to claim any exemption from liability whatsoever.

The hirer shall take care of all breakdowns caused by negligent use of the machinery.

7.5 Tyres.

The hirer shall bear all costs for the hired machinery arising from puncture or blow-out of tyres.

7.6 Restriction on repairs.

With the exception of the inspections and maintenance operations mentioned above, the hirer may not replace or change any or all of the material hired or any of its components without prior written authorisation from the owner.

7.7 Notification of breakdowns.

The hirer shall notify the owner, within twenty-four (24) hours, of the occurrence of any breakdown or malfunction of the hired material, immediately ceasing to use the machinery if there is a foreseeable, possible or likely risk for the health and safety of the persons operating the machinery or operating within its working area.

The hirer is not entitled to make any claim for damages, loss or loss of income as a result of mechanical breakdown or electrical failure.

7.8 Inspections.

The hirer shall permit staff authorised by the owner to undertake at any time howsoever many inspection or control visits as may be necessary. If the unjustified refusal of the hirer were to cause a hazard for the safety of persons or property, this contractual breach shall result in early termination of the contract.

7.9 Guarantee deposit.

As guarantee of compliance with the contractual obligations taken on by the hirer in this contract, the parties may agree to payment of a deposit or guarantee.

In the event of such an agreement, the amount of the deposit or guarantee shall be calculated on the basis of the value of the hired material and all operating costs arising therefrom, without exception (assembly and disassembly, where



applicable, insurance, risks, liabilities and other, extending to unpaid hire fee itself), and on the basis of costs arising from calculation of recovering non-payment of hire fee, interests and risks of all types.

The aforementioned deposit shall be returned when all hire fees have been paid, as well as any other items specified in the contract, or it shall be returned with the full and final settlement of the debt established, and provided that the owner confirms that the hirer has returned the machinery and its accessories in the condition agreed and that there are no obligations pending fulfilment.

The hirer pays the owner the amount specified in the schedule as a guarantee of faithful compliance with contractual obligations. The deposit may not be used for the payment of any hire fees, nor shall the hirer use it as a waiver of fully complying with their obligations.

7.10 Environmental care commitment.

In the event of the owner considering it appropriate, and in any event whenever there is a legal requirement to do so, the owner shall charge the hirer for the treatment of toxic waste per machine and contract.

7.11 Fuel.

During the term of validity of the contract, the hirer shall be responsible for supplying fuel and for checking its level, as activities inherent to the control and operation of the machinery. On prior request by the hirer, GAM offers the refuelling management service in the terms stated by the fuel suppliers with whom GAM habitually works, who may supply fuel for the machinery. These third party companies shall be responsible for supplying and delivering fuel, in accordance with the information supplied by the hirer regarding its use. Fuel suppliers have no relationship whatsoever with GAM in the areas relating to distribution of the product and determination of the hirer as end user of subsidized diesel.

In the event of choosing the refuelling brokerage service, GAM shall take charge of outsourcing the provision of service to the fuel supply companies with which it habitually works. In this case, GAM shall invoice the fuel in accordance with the price schedules notified at each moment by the company.

7.12 Electricity tax.

The purpose of this contract is machinery hire, so as regards equipment that may be considered as electricity generation plant by the Special Taxes regulation, the hirer shall be considered as generator for all purposes and for this reason shall be obliged to register and comply with all the tax and administration duties linked to electricity generation.

8. Owner obligations.



8.1 Repairs.

The owner undertakes to repair, as quickly as possible, the breakdowns duly notified by the hirer, in accordance with these general terms and conditions, which occur as an immediate result of normal wear and tear through use of the hired material.

As regards such repairs, provided that they take less than twenty-four hours they shall be considered as normal maintenance of the machinery and therefore there is no entitlement to any discount on the hire price. If in the owner's judgement such an operation might take longer than the aforementioned amount of time from the moment of machine breakdown being notified, or if they do not judge it advisable to carry out repairs, they shall replace the material which has broken down by other with the same capacity and general specifications, as far as possible. In the event of it being impossible at that moment to replace any of the hired plant items, this shall not in itself give rise to termination of contract, but in this case it shall give rise to a reduction in hire fee proportional to the amount of time it takes to replace the item which has broken down.

8.2 Maintenance.

The hirer shall be responsible for providing all the lubricants, oils, greases, acids and electrolytes necessary for maintenance.

9. Insurance.

9.1 Owner.

The hirer is liable for use of the hired material and for all damage suffered by it.

A) Insurance for damage to machinery itself:

GAM has an insurance policy with an insurance company that EXCLUSIVELY covers damage to the machinery itself for claims made as a result of accident occurring as a consequence of:

- Fire and fire extinguishing
- Direct lightning strike
- External explosion not related to operation of machinery
- Land subsidence or landslide
- Acts of nature
- Catastrophic risks covered by the 'Consortio de Compensación de Seguros' guarantee fund
- Acts of vandalism
- Impacts
- Tipping
- Robbery



Under no circumstances shall there be coverage for claims made for theft, loss, disappearance or misplacement of the machinery or of any of its parts, nor for inexcusable negligence, serious negligence or misuse when being operated by the customer operator, these circumstances being verified and analysed by the loss adjuster in the corresponding loss adjustment report.

Claims made during transport, loading and unloading carried out by the hirer shall be the direct responsibility of the customer.

For the coverage of each claim made, the same exclusions and inclusions as those specified in the policy shall apply.

Any claim made for a reason not indicated beforehand shall be the direct responsibility of the hirer, who shall pay the owner the corresponding amount for the repair or replacement of the machinery subject of the claim.

B) Vehicle insurance:

Registered machinery that is suitable for and authorised to be driven on public highways, in accordance with RD 1507/2008, hold compulsory vehicle insurance covering damage to third parties as a result of traffic events. Traffic events are understood as being the risks arising from motor vehicles in the following spaces:

a) Garages and car parks

b) Public or private roads or land SUITABLE for urban and interurban traffic

c) Roads or land which, although not suitable for traffic, are commonly used
EXCLUDED from consideration as traffic event are those arising from the performance of industrial or agricultural tasks by motor vehicles specially intended for this purpose.

Use of industrial vehicles in the performance of the activity for which intended is not a traffic event unless they are being driven on the roads described in points a), b) and c) above.

If the machinery hired were intended for use in airports, this must be made known to GAM so that in relevant cases the additional cover for airports is taken out.

Platforms may not be driven around public highway areas since they are not vehicles intended for this purpose; they must be transported to the place of work and returned using the appropriate means.

For working with platforms within the urban area or commonly used areas, it shall be an indispensable requirement to hold the permits issued by the competent authorities for this purpose.

C) Civil Liability Insurance:

GAM holds a Civil Liability insurance policy to cover EXCLUSIVELY claims made by third parties for damages caused by FAILURE or ERROR of the hired machinery (failure or error being understood as defective parts and electrical or mechanical anomalies) NOT operated by a GAM operator, once analysed by the corresponding loss adjuster and the loss adjustment report bearing witness to same issued, and always within the restrictions and terms of the policy.



The same policy, in its terms and conditions (excluding wilful misconduct in any event), shall cover third party claims for damages caused by GAM plant when hired out and OPERATED BY a GAM operator.

9.2 Hirer.

The owner's obligation to insure the registered vehicle suitable and authorised for being driven does not exempt the hirer from taking out civil liability insurance covering their own business activity. Given that the machinery and vehicles are habitually hired 'bare' (without a GAM operator) and operated by hirer personnel, the hirer is obliged to have Civil Liability insurance covering use of same and its own activity, and to comply with the legal requirements specified by the Ministries of Industry and Work, and also with any safety and prevention measures and licences necessary.

The hirer therefore undertakes to take out on their own behalf the pertinent insurance for:

A) Damage to machinery for the actual cash value of same and to its accessories and extras for the risks not covered by the policy taken out by GAM, detailed above.

B) Third party risks and liabilities, whether property or persons, arising from their industrial activity throughout the term of the contract, pursuant to the provisions in these General Terms and Conditions.

9.3 Excesses.

In the event of a claim event occurring under the conditions described, the hirer shall pay to GAM:

- For machinery with a unit purchase price of more than 6000 Euros: 10% of the amount of the claim, with a minimum of 6000 Euros. In the event of the claim amount being less than 6000 Euros, the hirer shall pay the cost of the claim.
- For machinery with a unit purchase price of less than 6000 Euros: the repair or replacement cost of the machinery.
- Damages to vessels shall have a 12,000 Euro excess.

9.4 Works insurance.

In works where GAM acts as subcontractor and hires machinery with a GAM operative, the hirer shall inform the owner of the obligatory fully comprehensive construction and assembly insurance in place in order to be included as additional insured party and with express waiver of recovery against GAM by the aforementioned insurance company, the hirer being liable for any consequences arising from the aforementioned omission.



9.5 Statement in the event of claim.

In the event of a claim for own or third party damages, the hirer undertakes to:
Take all possible measures to protect the interests of the owner and their insurance company and in sum not to increase the risk in any way.

To inform the owner within 48 hours of the occurrence of the claim event by fax, email or recorded delivery letter, providing the greatest possible number of details on the event.

In the event of robbery or acts of vandalism, file report of same within 24 hours of the occurrence of the claim event, recording the circumstances, date, time and place of the incident, and fully identifying the material affected.

Within the three following days, forward to GAM all the original documents required (copies of reports filed, etc.).

Hire fee shall be charged up until the date the claim event is notified.

Material shall never be left outside working hours without protection against theft, such as storing it inside a padlocked, closed space, removing drawbars from towable plant and keeping keys and official documents in a separate place, etc. Any omission in this respect shall entail the loss of claim waiver guarantee.

10. Causes of termination of contract.

The contract shall be terminated for the following reasons:

- (a) The term of the contract as described in clause 2 has elapsed.
- (b) By mutual agreement of the parties.

(c) Due to hirer breach of their payment obligations, in which case this document serves as express authorisation by the hirer for the owner to proceed to remove the hired machinery and accessories from wherever they may be located.

In any event, the hirer shall be obliged to pay the full hire price due and unpaid, with the corresponding late payment interest. The hirer shall likewise bear the costs incurred by the owner for the removal of the machinery and its accessories.

11. Applicable law and jurisdiction.

This contract shall be governed and interpreted according to Spanish law.

With express waiver of any other jurisdiction that may correspond to the parties, all disputes arising in relation to this contract shall be submitted to the Courts of Madrid.