



**THE UNITED REPUBLIC OF TANZANIA  
MINISTRY OF AGRICULTURE  
NATIONAL IRRIGATION COMMISSION**



**CONTRACT FOR HIRE OF THE .....**

**CONTRACT FOR HIRE OF THE .....**

**NATIONAL IRRIGATION COMMISSION**

**CONTRACT NO.....**

This CONTRACT/AGREEMENT is made on this ..... day of ..... 2021

BETWEEN

**DIRECTOR GENERAL, NATIONAL IRRIGATION COMMISSION** of P.O. Box 146, DODOMA (hereinafter referred to as “NIRC”) of one part

AND

....., of P.O. Box ....., ..... (hereinafter called the “**HIRER** “of the other part,

**WHEREAS**

- A. NIRC owns the equipment on behalf of the Government of the United Republic of Tanzania, and has set the same for hire based on the terms and conditions as herein stated, and
- B. NIRC wishes to provide equipment for hire and the **HIRER** hires equipment as in the Schedule hereinafter provided, until the termination of the contract.

**WHEREFORE**, both parties agree as follows:-

**1.0. DEFINITION**

‘**Additional charges**’ means the amount of money that should be paid by hirer after fail to return the equipment hired on return date set out in accordance to the contract,

‘**Contract**’ means contract between NIRC and customer/hirer for the rent of equipment,

‘**Equipment**’ means machine hired by the hirer,

‘**Rental period**’ means period as agreed amongst the parties,

‘**Risk period**’ is the time range in which the possibility of losing something of value (such as physical health, social status, emotional well-being, or financial wealth) can be gained or lost,

‘**Designated officer**’ shall be the officer appointed by the Director General in writing to act on his behalf.

**2.0. RENTAL PERIOD**

- 2.1. The rental period for the hire of the ..... (.....) shall be for period of ..... (.....) as set out in the **Order Form (F. 1)** from date of commencement of the work that is ....., 2021 to ....., 2021 unless the contract is terminated earlier in accordance with the terms and conditions stated herein.

- 2.2. The rental period may be extended by mutual agreement of both parties and daily rate set out in the Order Form shall apply to any extended rental period, and new contract or amendment thereto shall be signed.
- 2.3. If the rental period has not been extended in accordance with Clause 2.1, and the equipment is not returned to NIRC designated place, on return date set out, **the hirer shall be charged at the daily rate set out until the equipment has been returned to NIRC designated place.**
- 2.4. The Hirer shall hire and pay for the Low Bed for transportation of the machine from NIRC Office to the site, and from the site to NIRC' Office.

### **3.0. CONSIDERATION**

In consideration of the hire and usage of the ..... for the initial period as stated in Clause 2.0 above, the Hirer shall pay the Owner at Total **Tshs. .... (That is ..... only).**

### **4.0. DELIVERY**

The hirer shall deliver the hired equipment to the location/site at ..... **REGION** as set out in the order prior to receiving the equipment, the Hirer after completion of the contract period shall deliver the hired vehicle to the location /site as set out in the order /contract.

### **5.0. WORK**

The machine shall be used by the hire for ....., any diversion or usage of the machine contrary to what is provided herein shall amount to breach of cardinal condition of the contract.

### **6.0. TITLE**

The equipment hired shall at all time remain the property of NIRC and the hirer shall have no right to title or interest to the equipment but will have the right to use.

### **7.0. LIABILITY AND EQUIPMENT BREAKDOWN**

- 7.1. In the event the equipment experiences any breakdown due to any defect in material or workmanship, NIRC's shall be limited to cost of repair including parts, labour and to return the equipment to full working condition,
- 7.2. The hirer shall give written notice immediately in the event of breakdown or damage during operation or where there is any claim or reasonable threat to the employee(s) or equipment,
- 7.3. Nothing in these conditions shall exclude in anyway limited Customer liability for
  - i. Death or personal injury caused by its own negligence of employees, or agent or

- ii. Fraud or fraudulent misrepresentation
- 7.4. NIRC shall not be liable to the hirer for any
  - i. Loss of profit
  - ii. Loss of revenue
  - iii. Loss of business
  - iv. Indirect or consequential loss of damage or not caused by breakdown of equipment hired to the Hirer
  - v. Act of God.

## **8.0. RESPONSIBILITIES OF THE HIRER**

The Hirer under this contract, shall be responsible

- 8.1. To use the Equipment only for the purposes for which it was designated and operate in a careful, prudent manner and in accordance with the instructions for use;
- 8.2. Comply with all laws, regulations, rules or directives of lawfully constituted authorities relating to the possession, use, storage and transport of the equipment;
- 8.3. Maintain effective control of the equipment and keep the equipment in a secure and suitable environment when not in use;
- 8.4. Ensure that the equipment is operated only by duly instructed operator/driver on its safe operation in accordance with manufacturer's operating manuals, instructions and safety warnings;
- 8.5. Obtain any required licenses or other authorizations necessary for the use, registration or handling of a specific piece of equipment or technology, and ensure that it complies fully with all relevant legal requirements,
- 8.6. Ensure that no unauthorized transfers or diversions of the equipment occurs; if the Equipment is being transferred to another region or site where any regulatory authority requires details of the intended use of the Equipment,
- 8.7. Ensure delivery up the Equipment at the end of the Rental Period or on earlier termination of the Contract at such address as NIRC requires, or if necessary allow NIRC or its representatives access to the site or any premises where the Equipment is located for the purpose of removing the Equipment,
- 8.8. Provide enough fuel for equipment to accomplish agreed task,
- 8.9. Pay for night allowances to the respective Operators and Assistant Operator,
- 8.10. Should the Equipment(s) or parts thereof be stolen while under the custody of the Hirer, he shall be liable for immediate replacement of the same.

NIRC reserves the right to request proof of any authorizations prior to the commencement of the Rental Period or at any time during the contract period.

## **RESPONSIBILITIES OF NIRC**

- 8.11. At its expense and at all times during the Rental Period, keep and maintain the Equipment in good and substantial repair, condition and appearance in order to keep it in as good an operating condition as it was on the commencement date of the Contract (fair wear and tear only accepted);.
- 8.12. To provide Equipment work tickets/log book to be filled by the Operator and signed by the Hirer. The said Work Ticket/log book shall form part of this Contract,
- 8.13. To ensure at every 50 Working Hours the equipment (s) undergoes regular service.

## **9.0. MODE OF PAYMENT**

- 9.1. All payments shall be done through a Bank in Specified bank Account,
- 9.2. Prior to receiving the equipment the Hirer shall pay full amount (100%) of Grand Total of the Profoma Invoice in return the Hirer shall be provided with the Receipt,
- 9.3. Before the end of the Contract period, NIRC shall provide a Bill/Invoice for extended contract based on properly filled Work Ticket (hereinafter called “the Addition Charges”) to be paid within the contract period,
- 9.4. Late payment of the Additional Charges shall attract an interest of 30% starting three days after the date of issue of extension Bill/Invoice,
- 9.5. In case of failure to pay the addition charges on part of the Hirer, the NIRC shall have recourse to the amount due to the Hirer from any contract of work signed by the Hirer,
- 9.6. At its expense and at all times during the Rental Period, keep and maintain the Equipment in good and substantial repair, condition and appearance in order to keep it in as good an operating condition as it was on the commencement date of the Contract (fair wear and tear only accepted);.
- 9.7. To provide Equipment work tickets/log book to be filled by the Operator and signed by the Hirer. The said Work Ticket/log book shall form part of this Contract,

## **10.0. OPERATION OF THE EQUIPMENT**

- 10.1. The Equipment(s) so hired shall be operated by the Driver(s) and/ or Operators dully appointed by NIRC only,
- 10.2. The Hirer shall report to the NIRC any Breakdown of the equipment(s) for the purpose of taking immediate action and recording the idle time,
- 10.3. Idle times shall be fully charged to the Hirer unless caused by Equipment(s) breakdown and/or sickness/fault of the operator,
- 10.4. Upon any equipment fault occurring during hire period, the hirer shall immediately inform the NIRC who shall without delay repair or replace the equipment(s), provided that the Hirer shall keep the NIRC indemnified against all loss and damage to the equipment(s) caused by willful misuse.

## **11.0. TERMINATION OF THE CONTRACT**

- 11.1. This contract may be terminated upon expire of time of the contract,
- 11.2. Upon the hirer giving a two days' notice in writing
- 11.3. NIRC may terminate the Contract upon the following circumstances.
  - i. At any time by giving a two days' notice in writing to the Hirer,
  - ii. Upon the Hirer making default in punctual payment of the additional charges,
  - iii. Upon the receiving a Bankruptcy Order against the hirer,
  - iv. Upon Hirer going into liquidation,
  - v. Upon breach of the terms herein by the Hirer.
- 11.4. In any such case, the NIRC decide to retake possession of the Equipment(s) and for that purpose may enter upon the premise(s) where the equipment is located and such termination the NIRC shall not be liable of any inconvenience caused during the process of retaking possession,
- 11.5. The Hirer shall remain responsible for the cost involved in the retaking of the equipment,
- 11.6. The hire declares not to have any outstanding debt relating to hire of any equipment(s) from NIRC.
- 11.7. Upon termination of this Contract, the hirer shall pay NIRC on demand
  - i. All rental payment due and unpaid at the date of sent demand together with interest accrued,
  - ii. Any cost and expenses incurred by NIRC in recovery of equipment or in collecting any sum due under the contract for storage, insurance, transport and legal fee if any.

## **12.0. LIMITATION**

- 12.1. Equipment hired shall be used by the hirer for execution of Contract as stated in the Contract.
- 12.2. Any breach of the term and condition shall be penalized.

## **13.0. INDEMNITY**

The hirer agrees to indemnify and hold NIRC and its Directors, Authorized officers and employees harmless from and against all liabilities and expenses whatsoever arising or incurred in case of

- i. Loss or damage to property of hirer whether owned, leased, hired, arising from related to or in connection with performance on non performance of contract,
- ii. Injury or death of any person employed or engaged by the hirer or in connection with the performance of the contact.

## **14.0. INSURANCE**

- 14.1. NIRC shall remain responsible for the equipment insurance, driver or operator of the equipment during operation.

- 14.2. The hirer shall give immediate written notice to NIRC in the event of any loss or damage, accident to the equipment arising or in connection to the contract usage of the equipment.

#### **15.0. VARIATION**

Except as set in these Conditions, no variation of the Contract including the introduction of any additional, term or condition shall be effective unless it is in writing and signed by both parties.

#### **16.0. AMENDMENT**

This contract may be amended by both side, upon notice in writing by the hirer and accepted by NIRC.

#### **17.0. NOTICES**

- 17.1. All communication and notices shall be in writing and shall be valid if and only if signed by the Director General or any duly authorized person.
- 17.2. All notices shall be addressed to Director General; and to the Hirer shall be directed to the Director of the Hiring Body Corporate.

#### **18.0. GOVERNING LAWS**

This contract shall be governed in accordance with the Laws of the United Republic of Tanzania.

**IN WITNESS** where of the parties hereto have duly executed this contract in the manner and on the day, month and year hereinafter appearing.

**SIGNED AND SEALED FOR AND ON BEHALF OF THE NATIONAL IRRIGATION COMMISSION**

**FULL NAME:** .....  
**TITLE:** .....  
**SIGNATURE:**.....  
**DATE:** .....  
Postal Address: P. O. Box 146, DODOMA

**IN THE PRESENCE OF:**

**FULL NAME:** .....  
**TITLE:** .....  
**SIGNATURE:**.....  
**DATE:** .....  
Postal Address: P. O. Box 146, DODOMA

**AND**

**FULL NAME:** .....  
**TITLE/DESIGNATION:** .....  
**SIGNATURE:** .....  
**DATE:** .....  
Postal Address: P. O. Box146, DODOMA

**SIGNED, SEALED AND DELIVERED BY OR ON BEHALF OF.....**

**FULL NAME:** .....  
**TITLE/DESIGNATION:** .....  
**SIGNATURE:** .....  
**DATE:** .....

**IN THE PRESENCE OF:**

**FULL NAME:** .....  
**TITLE/DESIGNATION:** .....  
**SIGNATURE:** .....  
**DATE:** .....  
**Postal Address: P. O. Box.....,** .....