

**ANNEX E -
SAMPLE AGREEMENT FOR LEASED TRANSPORT FLEET
(CORONAVIRUS RESPONSE)**



Agreement for Leased Transport Fleet

Source: World Food Programme

This agreement is made on the..... day of the month of in the year two thousand and two in

between

The (Organisation Name) having its offices in hereinafter referred to as (ORGANISATION NAME) (which expression where the context so admits includes its authorized officers and assigns) on the one part;

and

..... having its offices in hereinafter referred to as "the Carrier" (which expression where the context so admits includes its successors and assigns)

and whereas

a) the Carrier has (.....) truck/truck and trailer/semi-trailer units available in the Region (hereinafter referred to as the "Fleet") whose numbers and specifications are enlisted in Annex I for immediate deployment in

b) (ORGANISATION NAME) desires to deploy this Fleet for its exclusive use to provide a service from to destinations in as part of its programme for emergency relief (hereinafter referred to as "the Relief Operation");

c) the Carrier can make available additional (.....) Fleet units in if and when required by (ORGANISATION NAME),

it is hereby agreed

1. Commencement, Duration and Termination Of Agreement

1.1 The agreement shall commence on and shall continue for a period of 3 (three) months from the date that the Carrier's Fleet is available. The agreement may be terminated by either party 15 (fifteen) days after date of receipt of a written notice.

1.2 (ORGANISATION NAME) has an option to renew the agreement for any further length of time by giving to the Carrier a notice in writing of its intention to renew, at least 15 days prior expiry.

1.3 (ORGANISATION NAME) has an option to increase trucking capacity out of the Carrier's other truck fleet and on the same terms and conditions contained herein by giving to the Carrier a minimum of 15 days notice in writing of its intention to increase the number of the Fleet units.

1.4 If the Carrier fails to perform as per terms stipulated in the agreement, this agreement will terminate immediately upon written notification by (ORGANISATION NAME).

1.5 If (ORGANISATION NAME) Relief Operations to or in are suspended or if (ORGANISATION NAME) for any reason whatsoever ceases to operate in those countries, (ORGANISATION NAME) may terminate the agreement by giving 15 days written notice of its intention to terminate.

1.6 In the event that the carrier commits an act of bankruptcy or has a receiving order made against him or shall make any arrangement with his creditors or if distress or execution shall be levied or threatened upon any of the Carrier's property, this agreement shall automatically and without notice terminate.

2. Transport

2.1 (ORGANISATION NAME) shall pay the Carrier transport as follows:

(i) A rate of US Dollars per ton-km, i.e. per metric ton carried and per kilometre travelled, said rate to be applied to the distance covered under load except for returning empty shipping line containers to destinations in, return distance being always excluded. The number of kilometres travelled must be in accordance with those specified in Annex II and verified by (ORGANISATION NAME) convoy monitors and the Carrier's fleet supervisor.

(ii) Should the contract be renewed, (ORGANISATION NAME) shall pay the Carrier according to the same terms in the present contract.

(iii) Should the number of vehicles increase beyond the initial Fleet units, (ORGANISATION NAME) shall pay the carrier at the transport rate stated in 2.1 (i).

(iv) In case of non-availability of (ORGANISATION NAME) cargo at the loading point, and after the Carrier's truck-semi trailer unit has been positioned for loading and said vehicle is operationally available and in sound mechanical conditions, (ORGANISATION NAME) shall pay USD per day per truck-semi trailer unit starting on the third day of documented positioning for loading of the truck Fleet unit. Up to 48 hours' documented stoppage at the border for Customs clearance is allowed free of charge, after which the rate of USD per day per Fleet unit will be applicable. Up to 48 hours' documented delay for offloading at destination is allowed free of charge, after which the rate of USD per day per Fleet unit will be applicable.

(v) In case of non-operation of any Fleet unit because of mechanical failure, lack of spare parts or failure of the Carrier or his employees and/or servants to comply with the terms of the agreement, the Fleet unit shall be considered off-hire and the fee stated in 2.1 (iv) shall not be paid by (ORGANISATION NAME).

(vi) (ORGANISATION NAME) will pay the Carrier USD per Fleet unit including tarpaulin, for painting and marking in (ORGANISATION NAME) colours and logo. This sum also covers removal of the (ORGANISATION NAME) markings and colours at the end of the contract.

2.2 Drivers appointed by the Carrier shall be entitled to daily resting hours according to applicable laws and norms in the field of transport operations.

3. Payments

3.1 The Carrier will submit invoices to (ORGANISATION NAME) and be paid monthly.

3.2 Payment will be made by bank transfer, during a maximum period of 21 days from submission of the invoices in for certification, to the Carrier's account, with a bank to be designated by the Carrier. Detailed banking instructions to be provided by the Carrier later.

3.3 Payment by (ORGANISATION NAME) will be effected directly into an account located in the country wherein the movement is taking place, or where the Fleet as well as trucking company are registered.

4. Cargo Loss and Damage

4.1 The Carrier assumes full responsibility for cargo loaded onto his Fleet units and shall pay to (ORGANISATION NAME) the value at final destination of cargo damaged and/or lost, as established in Annex I, however caused, including leakage but subject to the exceptions hereinafter specified.

4.2 The Carrier shall take all necessary precautions to safeguard (ORGANISATION NAME) commodities loaded on his Fleet units, including covering all shipments with intact tarpaulins which shall be adequately secured.

4.3 For the purpose of this clause, leakage is defined as a shortage in the weight of bags/packages upon delivery at destination compared to their weight as declared on the Waybill.

4.4 The Carrier shall not be obliged to load damaged cargo and will inform (ORGANISATION NAME) in writing when this circumstance arises. (ORGANISATION NAME) will not pay for damaged bags transported in the Carrier's Fleet.

4.5 The following circumstances, amongst others, shall be considered wilful or negligent acts or omissions of the Carrier or its employees for which (ORGANISATION NAME) will be entitled to compensation as per clause 4.1 above:

(i) Loss or damage which in any way are caused or facilitated by negligence and/or dishonesty of any person or persons in the service and/or control and/or employment of the Carrier.

(ii) Loss or damage caused by the misuse of vehicles.

(iii) Loss or damage by the unauthorized carriage of persons and/or goods by the Carrier or its servants or employees on the Fleet units.

(iv) Loss or damage due to cargo being wet by rain and/or fuel and/or by any goods being carried by the Carrier or its servants or employees on the Fleet units.

5. Carrier's Obligations

During the course of this agreement, the Carrier shall:

5.1 Make immediately available to (ORGANISATION NAME) (.....) Fleet units as detailed in Annex I solely dedicated to the transportation of (ORGANISATION NAME) relief cargo, and to make available an additional (.....) Fleet units within ten days upon request by (ORGANISATION NAME). All Fleet units provided by the Carrier and tarpaulins shall be painted white and bear prominent (ORGANISATION NAME) logo and markings.

5.2 Take all such measures as may be necessary to ensure that all vehicles are in good operational condition at all times.

5.3 Ensure that all transport is carried out safely and as expeditiously as possible. Unjustified delays en route will be deemed breach of contract.

5.4 Ensure that the Fleet and respective crews are adequately insured, including insurance against third party liabilities, and hold (ORGANISATION NAME) harmless against any claims arising from injuries, disability, death or loss as a consequence of negligence of the Carrier or any of his staff.

At the end of this contract, the Carrier shall immediately remove (ORGANISATION NAME) logo and markings from all the Fleet units prior to loading non-(ORGANISATION NAME) cargo.

6. (ORGANISATION NAME) Obligations

During the course of this agreement, (ORGANISATION NAME) shall:

6.1 Provide adequate humanitarian relief cargo to be transported over the duration of this agreement within the Emergency zone, i.e. If the Carrier's Fleet units are rendered non-operational due to lack of cargo, but operationally available and in good mechanical condition, (ORGANISATION NAME) shall compensate Carrier at the rate stated under 2.1 (iv) above.

6.2 Provide sufficient labour for the loading and off-loading of (ORGANISATION NAME) commodities on the Carrier's Fleet units.

6.3 Although the Carrier shall make all insurances necessary to cover his Fleet units, Fleet equipment, spare parts (all listed in Annex I) and his employees, it is hereby agreed between the parties that throughout the rental period, (ORGANISATION NAME), in circumstances which would be covered only under "war risk" insurance, will indemnify the Carrier against any loss or damage which might occur to any or part of the Fleet units according to the price list in Annex II.

6.4 It is agreed between the parties that the Carrier shall handle and execute all transport operations and shall be managing the transport project throughout his contract, including the maintenance of the Fleet.

7. Force Majeure

If at any time during the course of this agreement it shall become impossible for any of the parties hereto to perform any of its obligations for reasons of force majeure, that party shall promptly notify the other in writing of the existence of such force majeure, whereupon the party giving notice shall be relieved from such obligation or obligations as long as force majeure persists.

8. Notices

Any notice to be given under this agreement shall be validly sent if sent by telex or facsimile or delivered by hand to the party to be notified at the address herein indicated.

9. Arbitration

Any dispute arising from this agreement shall be referred to arbitration in under law, one arbitrator to be nominated by (ORGANISATION NAME) and the other by the Carrier. In case the arbitrators shall not agree, then the decision of an umpire to be appointed by the two arbitrators shall be final and binding upon both parties. If one party fails to appoint an arbitrator for 14 (fourteen) clear days after the other party, having appointed his arbitrator, has served the party making default with notice to make the appointment, the party who has appointed an arbitrator may appoint that arbitrator to act as sole arbitrator in the reference and his/her award shall be binding on both parties as if he/she had been appointed by consent.

10. Governing Law

This agreement is governed by law, subject to Clause 12 hereunder.

11. Whole Agreement

This agreement consisting of paragraphs, Annexes I and II, contains the whole agreement of the parties, which cannot be varied or added to except with the written consent of both parties.

In witness whereof, both parties have initialled each page and placed their hands and seals the day first herein referred to: