**SPOT-HIRE TRANSPORT AGREEMENT**

**THIS AGREEMENT** is made this ................. day of ................................., Two Thousand **BETWEEN** PETROLEUM LIMITED a limited liability company incorporated in the Republic of Kenya and having a place of business at Nairobi and elsewhere in Kenya and whose postal address is care of Post Office Box Number 1234, Nairobi aforesaid (hereinafter called “the Company” which expression shall include its successors and assigns) of the one part **AND** GENERAL AGENCIES LIMITED a limited liability company incorporated in the Republic of Kenya and having its place of business in Nairobi and whose address is care of Post Office Box Number 56789, Nairobi (hereinafter called “the Carrier” which expression shall where the context so admits include its successors and assigns) of the other part.

**WHEREAS:**

The Company is a licensed marketer of petroleum products within and without the Republic of Kenya;

The Carrier is the owner/operator of the vehicles listed in Schedule “B” of this Agreement;

The Company and the Carrier have agreed that the Carrier will transport on a spot-hire basis the Company’s petroleum products to various and designated destinations of the Company’s customers and depots upon and subject to the terms and conditions hereinafter set out.

# **IT IS HEREBY AGREED AND DECLARED AS FOLLOWS: -**

The Carrier shall supply with the said vehicle(s) experienced and competent driver(s) who shall for the purpose of this Agreement be the servant of the Carrier and not of the Company but shall obey all lawful and reasonable direction of the Company.

The Carrier shall ensure that all the vehicles are properly calibrated and necessary endorsements made on the calibration chart as required by law.

The Carrier will obtain all road service permits, licenses, and Weights and Measures approval necessary to enable it to carry and deliver petroleum products to the locations as directed by the Company and as indicated under this Agreement and undertakes to make timely application for the aforementioned permits, licenses and Weights and Measures approval; and to apply for the renewal of the said permits and licenses as and when they fall due.

The Carrier shall at its own expense insure the contracted vehicle(s) under a fully comprehensive policy covering the full value of the cargo and shall keep the same so insured during the period of this Agreement or any other contractual period. Similarly, the Carrier shall effect and maintain a separate *Goods in Transit insurance cover* at the retail value in Kenya Shillings for the full load carried up to the delivery point, and shall furnish the Company with proof of the existence and current validity of all such policies; Any breakdown or accidents involving any of the said vehicles whilst on transit should be reported to the Company forthwith.

Payment of transport bills to the Carrier will be done Thirty (30) days after receipt of invoices/statement and further after returning the off-loading point delivery receipt (Pink Copy) duly endorsed by the recipient. The delivery receipt is exchanged for the Carrier’s Blue Copy of the Company’s invoice at loading point. The Blue Copy should be attached to the Carrier’s transport invoices for payment.

Limits of allowance against variation in product levels in the Carrier’s vehicles whilst in transit have been established and charges will be made against the Carrier if products are delivered as follows:-

Out-of-Town Deliveries – White Oils

If the loss is up to and including 0.1% on motor gasoline, kerosene or gasoil, there will be no charge;

If the loss exceeds an observed loss of 0.1% on motor gasoline, kerosene or gasoil, the Carrier will be charged for the full amount lost at the posted wholesale price at the destination.

Exports – white Oils

No charge up to and including 0.25% in motor gasoline, 0.2% on kerosene and gasoil.

If the loss exceeds an observed loss of 0.25% on motor gasoline, or 0.2% on kerosene or gasoil, the Carrier will be charged the full amount lost at the posted wholesale price at the destination.

Town Deliveries – White Oils

No allowances shall apply.

Industrial Diesel/fuel Oil/Lubricants

No allowances shall apply.

For all products transported the Carrier will hold the Company indemnified against any obligations costs charges or expenses in respect of weigh-bridges, axle loading roadworthiness of vehicles, trailers, parking restrictions, road and bridge tolls, speed, driver’s hours of work, or any other rules and regulations relating to traffic offences or any other obligations costs charges or expenses of a like or similar nature.

The construction and application of this Agreement shall take effect in accordance with the laws of Kenya.

The Appendices hereto or any replacements thereof shall be deemed to be part of this Agreement as if the same were set out herein.

**IN WITNESS WHEREOF** the Company has hereunto affixed its common seal and the Carrier has hereunto affixed its common seal the day and year first hereinbefore written.

**SEALED** with the common seal of; }

PETROLEUM LIMITED }

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In the presence of: - }

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**DIRECTOR** }

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**DIRECTOR / SECRETARY** }

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**SEALED** with the common seal of; }

GENERAL AGENCIESLIMITED }

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In the presence of: - }

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**DIRECTOR** }

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**DIRECTOR / SECRETARY** }

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## **SCHEDULE OF RATES**

**SCHEDULE OF VEHICLES**