

1. Subject of the agreement

The Lessor, due to this agreement, hands over to the Renter a Car (hereinafter a Car) for fee without providing him/her driving services. The personal data of the Renter and those persons whom the Lessor has authorized a driving right, according to this agreement (hereinafter a Driver) are stated in Appendix 1, the details of the hiring Car are presented in Appendix 2, the rental dates and the costs – in Appendix 3, the conditions of the additional services – in Appendix 4, the insurance rules and main provisions – in Appendix 5. These appendices comprise the inseparable part of the agreement.

2. The rights and obligations of the parties The Lessor's rights and obligations

- 2.1. The Lessor is obliged to provide the Renter with the Car mentioned in the Appendix 2 within the terms and conditions stated in Appendix 3. The Lessor is obliged to return the Car to the Renter in a proper state without technical disrepairs.
- 2.2. The Lessor bears no responsibility for the lost or disappeared personal belongings left in the Car as well as for the passengers' health problems.
- 2.3. The Lessor is obliged to provide such a technical maintenance of the Car within the rental period which is not the Renter's fault with the exception of the first necessity maintenance (changing of a spare wheel, charging of the cleaning liquid of the windscreen, changing of luminescence lamps, etc.).
- 2.4. The Lessor is obliged to eliminate the defects of the Car within a reasonable period without causing annoyance to the Renter or to provide with another Car of the same group (of the same type and class) if the Car, during the rental period, has been damaged not by the Renter's fault and its further exploitation has become dangerous.
- 2.5. The Lessor is obliged to provide the Renter with all the necessary documents for running the Car when handing over the Car.
- 2.6. In case the Renter violates any clause of the agreement, the Lessor has the right to take the Car back, annul this agreement unilaterally and not to refund any amount and demand a full compensation of the losses. The losses also include the lost benefit as well as the sum to be paid to the advocate when undertaking a juridical process. The Lessor bears no responsibility for the damaged or lost things left in the Car. It is the Renter that bears responsibility for the damaged and lost things in the Car.

The Renter's/Driver's rights and obligations

- 2.7. The Renter, when receiving the Car, assumes whole responsibility for the Car rental. Without the Lessor's permission the Renter has no right to allow another person to drive the Car.
- 2.8. The Renter has no right to hand over to sub-lease the Car.
- 2.9. When driving the Car, the driver cannot be under the influence of alcohol, narcotics, tranquillizers and harmful drugs for health. If the Driver runs the Car under the influence of alcohol, narcotics, tranquillizers and harmful drugs for health (in this agreement "under the influence of alcohol" means the existence of alcohol in the organism from 0.01%), the Driver or the Renter will be obliged to compensate any loss caused to the Car, passengers, third party or their estate.
- 2.10. In case of loss caused to the third party and their estate by the Renter or the Driver, the latter has no right to make demands to the Lessor and the Lessor cannot bear any responsibility. The insurance company, due to the "Mandatory insurance of the motor-

transportation means" agreement, "Casco insurance agreement", by the RA law on "Mandatory insurance of the motor-transportation means" can exercise its subrogation rights exclusively towards the Renter or the Driver.

2.11. In case of the Renter's or the Driver's actions (inaction), breaking of the clauses of the insurance agreement, the Lessor does not bear any responsibility and the insurance company has no right to demand from the Lessor refunding of the sum of the insurance compensation (subrogation).

2.12. When running the Car, the Driver should follow the traffic rules. The Driver is responsible for the fines of the infringements. The Driver should park the Car in special parking places. When parking the Car, he/she should close the doors and the boot of the Car, switch on the alarm warning system and not leave the keys and the documents in the Car. The keys and the documents should be with the Driver and under his/her permanent control. In case of Car theft, the Renter is obliged to return the keys of the Car and the originals of the documents.

2.13. If the Driver notices technical disrepairs, he/she should inform immediately about it the Lessor. In case there are technical disrepairs of the Car or defect/loss of its spare parts by the Driver's fault, he/she is obliged to compensate losses totally. If there are technical disrepairs or defects not by the Driver's fault during the running of the Car and the further exploitation of the Car is dangerous, he/she has the right to demand to change the hired Car by another one of the same group (same type and class).

2.14. In case of an accident and loss/theft of the Car (or its spare parts), the Driver is obliged to inform about it the Lessor or the insurer and the Police immediately (without moving the car in case of an accident), assist in making protocols and certificates defined by law and present them to the Lessor.

2.15. In case of violating the clauses of this agreement, the Renter is obliged to compensate the loss of the Car as well as the lost benefit of Lessor.

3. The exploitation of the Car, the pick-up/drop off

3.1. It is permitted to run the hired Car only in the territory of the Republic of Armenia.

3.2. The hiring Cars are provided to the Renter in a proper state, technically faultless, clean and with a definite quantity of fuel tank. The Renter is obliged to follow the rules of the Car exploitation and fill the Car with high-quality fuel. The quality of the fuel should correspond to the type mentioned in Appendix 2. If the Car is damaged because of not high-quality fuel, the Renter will completely compensate the loss.

3.3. The Renter is obliged to return the Car in a proper state on the deadline as well as all the documents, additional equipment and accessories. The Cars should be returned to the Lessor undamaged, technically faultless, clean and with the same quantity of fuel as delivered to the Renter.

3.4. In case the Car has been returned to the Lessor not in a clean state a fine of 3.000 AMD should be levied.

3.5. In case the Car has been returned to the Lessor with the less tank of fuel than it was delivered, additional amount is charged from the blocked deposit of the Renter/Driver.

3.6. During the pick-up/drop off of the Car the Renter should examine the Car together with the Lessor's specialist and should draw up a corresponding pick-up/drop off protocol concerning its condition which is the inseparable part of this agreement. Any defect of the Car is recorded in the pick-up/drop off protocol. The Renter, before hiring the Car, should inform the Lessor about the disrepairs or other defects of the Car and make a corresponding note in the pick-up/drop off protocol. The Renter, except for the recorded defects in the pick-up/drop off protocol, has no right to indicate further defects.

3.7. Each party keeps the pick-up/drop off protocol bilaterally concluded which is the cornerstone when examining and evaluating the defects and losses of the Car. Moreover, the Renter accepts that the Lessor has the right to determine who is responsible for the defects and losses. If the Renter refuses to sign the pick-up/drop off protocol when returning the Car, the Lessor has the right to draw it up in the presence of 2 witnesses and use it if necessary.

3.8. It is forbidden to transport inflammable goods, explosives, smuggler or other dangerous and interdicted goods by law when running the Car.

3.9. It is forbidden to drive the Car at contests and exploit as a tractor or an educational Car, with the aim of taxi service and goods transportation.

3.10. It is forbidden to repair technically the Car on one's own by the Renter (with the exception of the first necessity maintenance such as changing of a spare wheel, charging of the cleaning liquid of the windscreen, changing of luminescence lamps, etc.) and to install constituent parts.

4. The rental dates, cost and payment order

4.1. The initial rental period, the deadline and the cost of the agreement are presented in Appendix 3.

4.2. The rental price of the Car includes the charges for the technical maintenance, all the state taxes, compulsory MTPL insurance costs on the territories of the RA, as well as the change of the Car during its technical maintenance.

4.3. The rental price of the Car does not include the charges of fuel, Car wash, parking lots and fines foreseen for infringements.

4.4. In case the hired Car is returned earlier than the deadline is, no payment is given back to the Renter.

4.5. In case of prolonging the rental period, it is necessary to inform the Lessor in advance and after getting the Lessor's consent, he/she should sign a new agreement concerning the extension of the rental duration.

4.6. In case of returning the hired Car later than the deadline is the Renter is required to pay at an amount of 100% of one day rental price in case of delaying for more than 1 hour.

4.7. If the Renter doesn't return the hired Car after 6 hours of the foreseen deadline, the Lessor can consider it as a theft and take the hired Car from any place without warning the Renter or can apply to the Police in order to take back the Car and proceedings against the Renter. In such cases the Lessor does not bear responsibility for the left things in the Car.

4.8. The Renter is obliged to make all the payments for the additional expenses and fines which have been calculated by the Lessor at the time of returning the Car according to the presented by him price-list. Therefore, Renter should provide with a Deposit when signing the contract by means of

which the listed above expenses should be covered in case of necessity (those which are not compensated by insurance or are not considered as an insurance case).

4.9. It is possible to provide Deposit either via credit card or paying in cash (it is stated in Appendix 3). In case of credit card provision the deposit sum will be held if Renter does not acquire “super cover” (see clause 5.9), otherwise, if he acquires “super cover”, his consent will be sufficient for charging the corresponding amount from his card. When holding a Deposit, it is required to leave the same bank card details (card number and validity date). When purchasing super cover, it is required to leave any bank card details (card number and validity date).

4.10. If the rented Car is returned to the Lessor in a proper state and in due time, the Deposit is fully refunded to the Renter. If revealed additional expenses exceed the Deposit, no amount is refunded to the Renter; moreover, the sum of the additional expenses, which hasn't been compensated by the Deposit, is levied from him extra.

5. The insurance and responsibility in case of loss

5.1. The Car is insured by compulsory MTPL conditions. The Renter bears a full responsibility towards the insurance company. By signing this rental agreement, the Renter confirms that he/she has got acquainted and has also accepted the provisions of the insurance agreements.

5.2. In case the Insurance company does not compensate the loss of the hired Car or the third party (their estate, health, passengers), when the refusal to provide insurance compensation is due to the Renter's actions (inaction), including the violations of the insurance rules or in such cases when the loss isn't linked to insurance, the Renter is obliged to compensate the loss to the Car, third party (their estate, health).

5.3. Compulsory MTPL insures those losses which have been caused by the transportation means to the injured party (third party), its estate. The losses of the third party are compensated by the following way:

5.3.1. on the territories of the Republic of Armenia – personal losses (injuries to health and lost wages/incomes as well as the injured party's death) - 3.000.000 AMD should be paid for an insurance accident;

5.3.2. on the territories of the Republic of Armenia – losses to the injured party's estate - 1.800.000 AMD utmost should be paid;

5.3.3. If the third party's loss is more, the Renter is obliged to compensate the loss additionally.

5.4. In case the insurance company does not compensate totally the third party's losses or it does not compensate at all, it is the Renter that assumes the responsibility for compensating the losses exclusively. The Lessor doesn't bear responsibility for the losses caused to the third party by the Renter during whole the rental period of the Car.

5.5. CASCO insures the compensation of the losses of the Car as well as the Driver's personal losses in case of traffic accidents, fire, car theft and other insurance incidents by the following way:

5.5.1. The Driver's personal losses – 3.000.000 AMD utmost should be paid

5.5.2. Damages of the Car totally, due to the insurance conditions, with the exception of the non – compensable sum.

5.6. The Renter, following the clauses of the rental agreement, restricts his/her financial obligations essentially if he/she has informed about them the Lessor on time (in case of necessity to the Police too).

5.7. In case of any accident, loss or damage the Renter should present a record defined by law, enforcement bodies as well as sufficient data about other parties of the accident or witnesses.

5.8. If the Renter has followed the traffic rules, the clauses of the rental agreement (including those of insurance agreement), his/her responsibility towards the hired Car and its passengers, in case of insurance accident, is restricted to Deposit, moreover

5.8.1. If it is the Renter that is guilty of the insurance accident (or the guilty party is absent) the Renter compensates at an amount of utmost Deposit.

5.8.2. If the Renter isn't guilty of the insurance accident and there is a guilty party the Deposit is refunded totally to him/her.

5.8.3. In case of loss of the constituent parts of the Car, damage or car theft, fire the Renter compensates at an amount of utmost Deposit.

5.9. When signing this agreement, Renter may substitute the responsibility, pointed by clause 5.8, for the surcharge of "super cover", which is not subject to reimbursement in all the cases and fully exempts from the compensations listed by clause 5.8. In case of "super cover" acquisition the corresponding note is made.

5.10. If the Renter hasn't followed the traffic rules or any clause of the rental agreement (including that of insurance agreement) he/she bears the responsibility of the accident totally (damage, loss, car theft, fire, etc.) and is obliged to compensate the estate and personal damages, losses of both the hired Car, its passengers, of the Lessor and the third party.

5.11. If the Renter uses the Car

5.11.1. without CASCO insurance then he/she bears the responsibility of the accident totally (damage, loss, car theft, fire, etc.) and is obliged to compensate the estate and personal damages, losses of both the hired Car, its passengers and the ones of the Lessor;

5.11.2. without compulsory MCTPL insurance then he/she bears the responsibility of the accident totally (administrative fines arisen as a result of failing to register MCTPL insurance, damage, loss, car theft, fire, etc.) and is obliged to compensate the estate and personal damages, losses of both the third party, and the ones of the rented car passengers.

6. Other provisions

6.1. If either of the parties doesn't fulfill the obligations assumed by this agreement or fulfills them not properly, the other party can annul the agreement unilaterally by reporting about it the other party. As soon as the request is presented, the agreement won't be in force.

6.2. Force Majeure: The parties are relived of the responsibility if the obligations haven't been fulfilled properly and in due time because of force majeure circumstances (earthquake, flood, war, cessation of communication means, etc.) which have occurred after signing the agreement.

6.3. The disputes arising from this agreement are solved by mutual consent. The clauses, not foreseen by this agreement, are regulated by RA legislation.

6.4. The agreement is drawn up for 2 examples, in Armenian and English, each of the parties has one example which has equal legislative power, where Armenian prevails.