

Equipment Rental Agreement

This is a template, not legal advice

This document is a general-purpose template provided for information only. It is not legal advice, it does not create a lawyer-client relationship, and nobody has reviewed it against your situation.

Laws differ by country, state and province, and they change. A clause that is standard in one place can be unenforceable — or illegal — in another. Terms that are ordinary between two businesses can be void in a consumer or employment context.

Read every clause before you use it, fill in every blank, and delete anything that does not apply. For anything high-value, unusual, or that you could not afford to lose a dispute over, have a qualified lawyer in your jurisdiction review it before it is signed.

How to use this template

1. Read it end to end and delete any clause that does not apply to you. Blanks are shown as a grey label on a line.
2. Fill it in and sign it free at <https://www.evenseal.com/fill/equipment-rental-agreement-template> — it opens in your browser and the file is never uploaded.
3. Need the other party to sign too, with an audit trail and a tamper-evident seal? That is what the paid product does.

Equipment Rental Agreement

This Equipment Rental Agreement (this "Agreement") is made on [Date of agreement] between [Owner's full legal name or business name] of [Owner's address] ("Owner"), and [Renter's full legal name or business name] of [Renter's address] ("Renter"). Owner and Renter are each a "Party" and together the "Parties".

Owner agrees to rent to Renter, and Renter agrees to rent from Owner, the equipment described below (the "Equipment"), on the terms of this Agreement.

1. Equipment

The Equipment covered by this Agreement is described as follows, including make, model and, where assigned, serial number:

- (a) Description: [Description of the Equipment — make, model and type] ;
- (b) Serial or asset number: [Serial number, asset tag, or "none assigned"] ;
- (c) Accessories and included items:
[List any accessories, attachments, cases, manuals, cables or fuel included with the Equipment, or "none"] ;
- (d) Quantity: [Quantity, if more than one unit] .

2. Rental Period

The rental period begins on [Rental start date and time] and ends on [Rental end date and time] (the "Rental Period"), unless ended earlier or extended under this clause.

Renter may request to extend the Rental Period before it ends. An extension takes effect only if Owner agrees in writing (including by email) and Renter pays the additional rental fee for the extended period at the rate in the Rental Fee clause below. Owner is under no obligation to agree to an extension, and if Owner does not, Renter shall return the Equipment by the original end of the Rental Period.

Either Party may end this Agreement before the Rental Period ends by giving the other Party [Notice period to end early, e.g. "twenty-four (24) hours"] written notice, without prejudice to any amount already owed. If Renter ends early, the Rental Fee already paid is [State whether early-return rent is refunded, prorated, or forfeited] .

3. Rental Fee and Payment

The rental fee is [Rental fee amount and rate, e.g. "\$150 per day"] for the Rental Period, totalling [Total rental fee for the stated Rental Period] , due [Payment schedule, e.g. "in full before the Equipment is released" or "weekly in advance"] .

A late return under the Return of Equipment clause below is charged at [Late fee, e.g. "1.5x the daily rate for each day or part-day late"] until the Equipment is returned. Late fees are in addition to, not instead of, any damages Owner may claim for loss of use or the Equipment not being available to another renter.

All amounts are exclusive of applicable taxes, which [State which Party bears sales, rental or use tax] shall bear. Payment is due in the form of [Accepted payment method(s)] .

4. Condition at Handoff; Inspection

Owner shall deliver the Equipment to Renter, or make it available for pickup, at [Handoff location] on [Handoff date and time] , in good working order and free of any defect Owner knows about and has not disclosed to Renter.

Before Renter takes possession, the Parties shall jointly inspect the Equipment and record its condition — including any existing damage, wear, missing parts or malfunction — in writing (the "Handoff Condition Report"), signed or otherwise acknowledged by both Parties. If a joint inspection is not practical, Owner shall provide the Handoff Condition Report and Renter shall note any disagreement with it in writing within [Period to dispute the Handoff Condition Report, e.g. "twenty-four (24) hours"] of taking possession; absent a timely objection, the report is treated as accurate.

The Handoff Condition Report is the baseline against which the condition of the Equipment on return is measured under the Return of Equipment clause below.

5. Use of the Equipment; Operator Responsibility

Renter shall use the Equipment only for its intended purpose, in accordance with any operating manual or instructions Owner provides, and in compliance with all applicable laws, regulations, permit requirements and manufacturer guidelines. Renter shall not use the Equipment for any illegal purpose or in a manner that exceeds its rated capacity or specifications.

The Equipment may be operated only by [Who may operate the Equipment, e.g. "Renter and trained, licensed employees"] . Renter is responsible for ensuring that anyone who operates the Equipment is competent and, where applicable, appropriately licensed or certified to do so, and Renter remains responsible for their acts and omissions as if they were Renter's own.

Renter shall not sublease, lend or transfer possession of the Equipment to any third party, or remove it from [Permitted location or area of use, e.g. "the job site address above" or "the state of use"] , without Owner's prior written consent.

Renter is responsible for obtaining any fuel, power, consumables or routine supplies the Equipment needs during the Rental Period, unless this Agreement states that Owner provides them.

6. Liability for Loss, Damage and Injury During the Rental

From the time Renter takes possession of the Equipment until Owner confirms its return under the Return of Equipment clause below, Renter bears the risk of loss of, theft of, or damage to the Equipment, however caused, except to the extent caused by a defect the Equipment had at handoff that the Handoff Condition Report did not disclose and Renter did not cause.

If the Equipment is lost, stolen, or damaged beyond reasonable repair while in Renter's possession, Renter shall pay Owner the Equipment's fair market value immediately before the loss, less any amount Owner recovers from insurance covering the loss. If the Equipment is damaged but repairable, Renter shall pay the reasonable cost of repair plus a reasonable charge for loss of use of the Equipment while it is being repaired.

Renter shall indemnify and hold Owner harmless from claims, injuries, losses and expenses (including reasonable legal fees) arising from Renter's or its operators' use, misuse, or operation of the Equipment during the Rental Period, except to the extent caused by Owner's negligence, a defect in the Equipment present at handoff, or Owner's breach of this Agreement.

[Insurance requirement, e.g. "Renter shall carry liability insurance naming Owner as additional insured," or "None required"]

7. Maintenance and Repairs

Renter shall operate and store the Equipment with reasonable care and shall not attempt to repair, service or modify it without Owner's prior written consent, except for routine upkeep described in any operating manual Owner provides (such as cleaning or checking fluid levels).

Renter shall notify Owner promptly if the Equipment malfunctions, is damaged, or needs repair during the Rental Period, and shall stop using it if continued use would cause further damage or create a safety risk. Unless this Agreement states otherwise, Owner is responsible for the cost of repairing ordinary mechanical failure not caused by Renter's misuse; Renter is responsible for the cost of repairing damage caused by its use, misuse, or failure to follow the operating instructions.

8. Damage Deposit

Renter shall pay Owner a damage deposit of [Damage deposit amount] before taking possession of the Equipment (the "Deposit"). The Deposit is security for Renter's obligations under this Agreement and is not rent; it does not limit the amount Renter may owe under the Liability for Loss, Damage and Injury clause above if the cost of loss, damage or a late return exceeds the Deposit.

Owner may withhold from the Deposit only: the reasonable cost of repairing damage to the Equipment beyond normal wear and tear identified under the Return of Equipment clause below; unpaid rental fees or late fees; the cost of replacing missing accessories or parts; and any other amount Renter owes Owner under this Agreement. Owner shall not withhold any part of the Deposit for normal wear and tear.

Owner shall return the Deposit, less any amount properly withheld under this clause and with an itemised written statement of any deduction, within [Period to return the deposit, e.g. "ten (10) business days"] of the Equipment being returned and inspected under the Return of Equipment clause below.

9. Return of Equipment; Condition on Return

Renter shall return the Equipment to [Return location, if different from the handoff location, or state "the same location as handoff"] by the end of the Rental Period, in the same condition as recorded in the Handoff Condition Report, reasonable wear and tear from normal use excepted.

"Normal wear and tear" means the ordinary deterioration that results from reasonable use consistent with the Equipment's intended purpose and does not include damage from misuse, neglect, accident, exceeding rated capacity, unauthorised repair or modification, or failure to follow operating instructions.

At return, the Parties shall jointly inspect the Equipment and compare its condition to the Handoff Condition Report. If the Parties cannot inspect it jointly, Owner shall inspect it within [Period for Owner to inspect after return, e.g. "two (2) business days"] of return and provide Renter a written statement of any damage found beyond normal wear and tear, which Renter may dispute in writing within [Period to dispute Owner's return inspection] .

If Renter fails to return the Equipment by the end of the Rental Period and has not obtained an extension under the Rental Period clause above, Owner may, in addition to charging the late fee above, treat the Equipment as unlawfully retained and pursue its return and any resulting loss.

10. Default

Renter is in default under this Agreement if Renter: fails to pay any amount when due and does not cure that failure within

[Cure period for a payment default, e.g. "three (3) business days"] of notice; uses the Equipment in violation of the Use of the Equipment clause above; or fails to return the Equipment when required and does not cure that failure within [Cure period for a return default] of notice.

On a default that is not cured within the applicable period, Owner may terminate this Agreement, retake possession of the Equipment (entering only where lawfully permitted to do so), and recover from Renter all rental fees, late fees, repair or replacement costs, and reasonable costs of recovering the Equipment, in addition to any amount withheld from the Deposit.

11. Governing Law and General

This Agreement and any dispute arising out of it are governed by the laws of [Governing law, e.g. the State of Texas], and the Parties submit to the exclusive jurisdiction of the courts of [Jurisdiction].

This Agreement is the entire agreement between the Parties about the rental of the Equipment and replaces any earlier discussion, understanding or representation about it, whether written or oral. It may be amended only in writing signed by both Parties. Neither Party may assign this Agreement without the other's written consent. If any provision is held unenforceable, the rest continues in force. This Agreement is not binding until signed and dated by both Parties, and may be signed by electronic signature.

In agreement with the terms above, the parties have signed below on the dates written beside their signatures.

Owner

Signature:

Printed name:

Company:

Title:

Date:

Renter

Signature:

Printed name:

Company:

Title:

Date: