

GENERAL TERMS AND CONDITIONS OF RENTAL

1. Definitions

- 1.1 "Owner"** means **CONINCO INTERNATIONAL LIMITED**, its successors, assigns and authorised representatives.
- 1.2 "Hirer"** means the individual, company, corporation, partnership or other legal entity whose rental order has been accepted by the Owner and includes its successors and permitted assigns.
- 1.3 "Contract"** means the rental agreement entered into between the Owner and the Hirer, comprising the Owner's Quotation, Rental Agreement, Rental Schedule, Delivery Note, these General Terms and Conditions, together with any written amendments signed by both parties.
- 1.4 "Equipment"** means any forklift truck, pallet truck, reach truck, stacker, order picker, tow tractor, warehouse equipment, industrial vehicle, battery, charger, attachment, accessory, replacement part or any other equipment rented by the Owner to the Hirer under this Contract.
- 1.5 "Business Day"** means a day other than a Saturday, Sunday or public holiday in Hong Kong on which banks are open for normal business.
- 1.6 "Normal Working Hours"** means Monday to Friday from **9:00 a.m. to 6:00 p.m.**, excluding Saturdays, Sundays and Hong Kong public holidays unless otherwise agreed in writing.
- 1.7 "Rental Period"** means the period commencing on the date the Equipment is delivered to the Hirer's designated location or otherwise made available for use, and ending on the date the Equipment is returned to and accepted by the Owner.
- 1.8 "Rental Charges"** means the rental fees, transportation charges, maintenance charges, overtime usage charges, repair costs, replacement costs and any other fees payable by the Hirer under this Contract.
- 1.9 "Long-Term Rental (LTR)"** means any rental contract having an agreed rental period exceeding twelve (12) consecutive months.
- 1.10 "Short-Term Rental (STR)"** means any rental contract having an agreed rental period of twelve (12) months or less.
- 1.11 "Operating Hours"** means the actual operating hours recorded by the Equipment's hour meter.
- 1.12 "Fair Wear and Tear"** means the normal deterioration resulting from proper operation of the Equipment under ordinary working conditions, excluding any damage caused by accident, misuse, negligence, overloading, improper operation, abuse, collision, corrosion, fire, flood, theft, vandalism or unauthorised modification.
- 1.13 "Force Majeure Event"** means any event beyond the reasonable control of either party including but not limited to natural disasters, typhoons, fire, flood, epidemic, pandemic, war, civil disturbance, terrorism, labour disputes, governmental action, utility interruption or transportation disruption.
- 1.14 "Personal Data"** shall have the meaning given under the **Personal Data (Privacy) Ordinance (Cap.486) of Hong Kong**.
- 1.15 "Terms and Conditions"** means these General Terms and Conditions of Forklift Rental issued by CONINCO INTERNATIONAL LIMITED, as amended from time to time in writing.

2. Contract Formation

- 2.1** The Owner's quotation shall remain valid for the period stated therein unless otherwise specified in writing.
A Contract shall become legally binding only when:
- (a) the Hirer has accepted the Owner's quotation by signing and returning it, issuing a purchase order, or providing written acceptance by email or other electronic communication acceptable to the Owner; and
 - (b) such acceptance has been acknowledged or accepted by the Owner.
- Upon formation of the Contract, these General Terms and Conditions shall form an integral part of the Contract and shall prevail over any terms or conditions contained in the Hirer's purchase order, standard terms of business or any other document, unless expressly agreed in writing and signed by an authorised representative of the Owner.
- 2.2** No amendment, modification, variation or waiver of any provision of this Contract shall be valid unless made in writing and signed by a Director or other duly authorised representative of the Owner.
Failure or delay by the Owner in exercising any right under this Contract shall not constitute a waiver of that right.
- 2.3** If any provision of this Contract is held by any court or competent authority to be invalid, illegal or unenforceable, such provision shall, to the extent required, be severed from this Contract without affecting the validity or enforceability of the remaining provisions. The parties shall negotiate in good faith to replace any invalid provision with a valid provision that most closely reflects the original commercial intention.
- 2.4 Entire Agreement**
This Contract constitutes the entire agreement between the Owner and the Hirer relating to the rental of the Equipment and supersedes all prior discussions, negotiations, representations, understandings or agreements, whether oral or written. The Hirer acknowledges that it has not relied upon any representation or statement not expressly contained in this Contract.

2.5 Authority

The person signing this Contract or issuing the purchase order on behalf of the Hirer represents and warrants that he or she has full authority to bind the Hirer to this Contract.

If such person lacks authority, he or she shall remain personally liable for all obligations arising under this Contract.

2.6 Electronic Communications

The parties agree that quotations, purchase orders, delivery confirmations, invoices, notices and other communications transmitted by email or other electronic means shall have the same legal force and effect as original written documents.

Electronic copies shall be admissible as evidence in any legal proceedings.

2.7 Priority of Documents

In the event of any inconsistency between the Contract documents, the following order of precedence shall apply:

1. The signed Rental Agreement (if any);
2. The Owner's Quotation;
3. The Rental Schedule;
4. These General Terms and Conditions;
5. Delivery Notes;
6. Purchase Orders issued by the Hirer.

If any conflict exists, the document with the higher priority shall prevail.

3. Rental Charges and Price Adjustment**3.1 Rental Charges**

The Hirer shall pay the Rental Charges specified in the Owner's Quotation or Rental Agreement together with all other charges payable under this Contract.

Unless otherwise expressly stated, the Rental Charges include only those items specifically described in the Owner's Quotation and exclude any additional services, transportation, installation, operator, fuel, electricity, batteries, attachments, insurance, taxes, permits or other costs.

3.2 Additional Charges

The Owner reserves the right to charge separately for any additional work, service or expense requested by the Hirer or arising from circumstances beyond the Owner's reasonable control, including but not limited to:

- (a) transportation outside the agreed delivery location;
- (b) after-hours, weekend or public holiday services;
- (c) emergency repair services caused by misuse or accidental damage;
- (d) replacement of damaged components;
- (e) relocation of the Equipment;
- (f) operator training requested by the Hirer;
- (g) waiting time caused by the Hirer; and
- (h) any government fees, permits or statutory charges.

3.3 Annual Price Review

For Long-Term Rental (LTR) Contracts, the Owner may review the Rental Charges once during each consecutive twelve (12) month period.

The Owner shall provide the Hirer with not less than thirty (30) days' prior written notice of any proposed adjustment.

Unless otherwise agreed in writing, any revised Rental Charges shall take effect on the date specified in the notice.

3.4 Circumstances for Price Adjustment

The Owner may adjust the Rental Charges where there is a material increase in operating costs arising from one or more of the following:

- (a) inflation;
- (b) increases in labour costs;
- (c) increases in transportation or logistics costs;
- (d) increases in insurance premiums;
- (e) increases in spare parts or component costs;
- (f) exchange rate fluctuations affecting imported Equipment or replacement parts;
- (g) changes in government legislation or statutory requirements;

(h) increases in utility costs including electricity or fuel; or

(i) any other circumstance beyond the reasonable control of the Owner materially affecting the cost of providing the Equipment or related services.

3.5 Hour Meter Charges

Where the Equipment exceeds the agreed annual or monthly Operating Hours specified in the Rental Agreement, the Hirer shall pay additional rental charges based on the hourly rate specified in the Owner's Quotation.

If no excess hour rate is stated, the Owner shall be entitled to charge its prevailing excess operating hour rate.

3.6 Temporary Suspension

Unless otherwise agreed in writing, the Rental Charges shall continue to accrue during any temporary suspension of use by the Hirer, including suspension caused by production shutdown, holiday closure, relocation, lack of work or any reason not attributable to the Owner.

3.7 Taxes and Duties

Unless otherwise stated in the Owner's Quotation, all Rental Charges are exclusive of any taxes, duties, levies or government charges that may become applicable under Hong Kong law.

Where any such taxes or charges become payable after the date of the Contract, the Hirer shall reimburse the Owner upon demand.

3.8 No Set-off

The Hirer shall make all payments in full without deduction, withholding, counterclaim or set-off unless required by law or expressly agreed in writing by the Owner.

4. Delivery, Acceptance and Commencement of Rental

4.1 Delivery of Equipment

The Owner shall deliver the Equipment to the delivery location specified in the Rental Agreement or as otherwise agreed in writing between the parties.

Any delivery date provided by the Owner is an estimate only and shall not constitute a guaranteed delivery date.

The Owner shall not be liable for any delay in delivery arising from circumstances beyond its reasonable control.

4.2 Commencement of Rental

Unless otherwise agreed in writing, the Rental Period shall commence on the earlier of:

- (a) the date on which the Equipment is delivered to the Hirer's premises;
- (b) the date on which the Equipment is made available for collection by the Hirer; or
- (c) the agreed commencement date stated in the Rental Agreement.

Rental Charges shall become payable from the commencement of the Rental Period regardless of whether the Equipment is immediately put into operation by the Hirer.

4.3 Delivery Inspection

Immediately upon delivery, the Hirer shall inspect the Equipment and verify that:

- the Equipment corresponds with the Rental Agreement;
- no apparent damage exists;
- all accessories are complete;
- the Equipment is in safe working condition.

The Hirer shall notify the Owner in writing within **forty-eight (48) hours** after delivery of any apparent defect or shortage.

Failing such notification, the Equipment shall be deemed to have been accepted in good condition.

4.4 Delivery Documents

The Hirer shall sign the Delivery Note or electronic delivery record upon receipt of the Equipment.

If the Hirer refuses or fails to sign the Delivery Note while retaining possession of the Equipment, delivery shall nevertheless be deemed completed.

Electronic proof of delivery, photographs, GPS records or other delivery evidence maintained by the Owner shall constitute sufficient evidence of delivery.

4.5 Transfer of Risk

Risk of loss, theft, destruction or damage to the Equipment shall pass to the Hirer immediately upon delivery and shall remain with the Hirer until the Equipment has been collected by, or returned to and accepted by, the Owner.

Transfer of risk shall not affect ownership of the Equipment, which shall remain vested exclusively in the Owner.

4.6 Delay Caused by Hirer

Where delivery cannot be completed due to any act, omission or delay on the part of the Hirer, including but not limited to:

- inaccessible premises;
- unsafe unloading conditions;
- failure to provide authorised personnel;
- incorrect delivery information; or
- refusal to accept delivery,

the Owner may:

- (a) charge all additional transportation and waiting costs;
- (b) reschedule delivery; and
- (c) commence the Rental Period from the originally agreed delivery date.

4.7 Site Suitability

The Hirer warrants that the delivery site is suitable for unloading, operation and storage of the Equipment.

The Owner shall not be liable for any damage arising from unsuitable site conditions, inadequate floor loading capacity, restricted access, insufficient clearance or unsafe working conditions.

4.8 Failure to Use Equipment

Once delivery has been completed, the Hirer's failure or inability to use the Equipment for any reason not attributable to the Owner shall not suspend or reduce the Rental Charges.

Such reasons include, but are not limited to:

- lack of work;
- factory shutdown;
- production suspension;
- holidays;
- relocation;
- labour shortage;
- change of business operations.

4.9 Collection upon Expiry

Upon expiry or earlier termination of the Rental Period, the Owner shall arrange collection of the Equipment at a mutually agreed time.

The Hirer shall:

- (a) make the Equipment available for collection;
- (b) ensure unrestricted access;
- (c) return all keys, chargers, batteries, manuals and accessories.

If collection cannot be completed due to the Hirer's default, Rental Charges shall continue until actual collection.

5. Maintenance, Service and Repairs

5.1 Owner's Obligations

5.1.1

The Owner shall deliver the Equipment in good operating condition and maintained in accordance with the manufacturer's recommended maintenance standards.

Unless the Hirer notifies the Owner in writing within forty-eight (48) hours after delivery of any apparent defect, the Equipment shall be deemed to have been delivered in satisfactory condition.

5.1.2

During the Rental Period, the Owner shall carry out preventive maintenance and repairs arising from normal wear and tear, provided that such maintenance is not made necessary by misuse, negligence, abuse, accident or improper operation by the Hirer.

5.1.3

The Owner may, at its sole discretion, replace the Equipment with another unit of similar or higher specification at any time during the Rental Period.

Such replacement shall not entitle the Hirer to terminate the Contract or claim compensation.

5.1.4 Included Maintenance Services

Unless otherwise agreed in writing, the Rental Charges include only the following during Normal Working Hours:

- (a) Scheduled preventive maintenance;
- (b) Labour charges;
- (c) Travelling time;
- (d) Genuine replacement parts;
- (e) Lubricants and service materials;
- (f) Safety inspections required by Hong Kong legislation;
- (g) Functional testing following repairs.

5.1.5 Tyres

Replacement of tyres or load rollers due solely to normal wear shall be limited to **one (1) complete replacement set per forklift during each consecutive twelve (12) month period**, unless otherwise stated in the Rental Agreement.

Additional replacement resulting from abnormal wear, misuse, excessive operating hours or accidental damage shall be charged to the Hirer.

5.1.6 Battery

For electric forklifts, maintenance shall include routine inspection of the battery and charger.

Battery replacement shall not be included unless failure results solely from manufacturing defects or normal service life.

5.2 Hirer's Obligations

5.2.1

The Hirer shall operate the Equipment carefully and in accordance with:

- the manufacturer's operating manual;
- applicable Hong Kong legislation;
- safety regulations; and
- the Owner's operating instructions.

5.2.2

The Hirer shall perform daily pre-operation inspections before each working shift and immediately discontinue operation if any unsafe condition is identified.

The Hirer shall promptly notify the Owner in writing of any malfunction, abnormal noise, warning indication or accident involving the Equipment.

5.2.3

The Hirer shall not:

- (a) repair;
- (b) dismantle;
- (c) modify;
- (d) weld;
- (e) repaint;
- (f) install accessories;
- (g) alter software;
- (h) replace components;

without the prior written consent of the Owner.

Any unauthorised modification shall become the responsibility of the Hirer, and all associated costs shall be borne by the Hirer.

5.2.4

The Hirer shall provide the Owner and its authorised service personnel with reasonable access to the Equipment for inspection, maintenance and repairs during normal working hours.

5.2.5

The Hirer shall bear the cost of all operating consumables, including but not limited to:

- electricity;
- diesel;

- LPG;
- AdBlue (if applicable);
- distilled water;
- battery water;
- cleaning materials.

5.2.6 Electric Battery

Where the Equipment is powered by a lead-acid battery, the Hirer shall:

- (a) maintain the electrolyte level;
- (b) use distilled water only;
- (c) ensure proper charging procedures;
- (d) prevent over-discharging;
- (e) maintain adequate ventilation during charging.

Failure to comply shall render the Hirer liable for all resulting damage.

5.2.7 Lithium-ion Battery

Where lithium-ion batteries are supplied, the Hirer shall:

- use only the charger supplied by the Owner;
- not modify the charging system;
- not expose the battery to excessive heat;
- immediately report any abnormal temperature, smoke or impact damage.

The Hirer shall be liable for all damage resulting from improper charging or misuse.

5.2.8 Accident Reporting

The Hirer shall notify the Owner immediately, and in any event within **twenty-four (24) hours**, of:

- any collision;
- overturning;
- fire;
- flood;
- theft;
- vandalism;
- personal injury;
- third-party property damage;

involving the Equipment.

The Hirer shall preserve all evidence and cooperate fully with the Owner and its insurers.

5.2.9 Cleanliness

The Hirer shall keep the Equipment in a clean and serviceable condition.

Where excessive cleaning is required before inspection or collection, the Owner may charge reasonable cleaning fees.

5.2.10 Misuse

Repairs required due to any of the following shall be fully chargeable to the Hirer:

- collision damage;
- overloading;
- improper operation;
- use by unqualified operators;
- operation outside manufacturer's specifications;
- water ingress;
- impact damage;
- negligence;
- abuse;
- unauthorised modification.

5.3 Breakdown Service

5.3.1

The Owner shall use reasonable endeavours to attend reported breakdowns during Normal Working Hours within its standard service response time.

However, response times are estimates only and shall not constitute a contractual guarantee.

5.3.2

Where the breakdown results from misuse or negligence by the Hirer, all labour, travelling, transportation and replacement part costs shall be payable by the Hirer.

5.3.3

The Owner may, at its sole discretion, provide temporary replacement Equipment where reasonably available.

The Owner shall not be under any obligation to provide substitute Equipment.

6. Hirer's Liability for Loss, Damage and Return of Equipment

6.1 Risk and Responsibility

The Equipment shall remain at the sole risk and responsibility of the Hirer from the time of delivery until the Equipment has been physically collected by, or returned to and accepted by, the Owner.

The Hirer shall be responsible for the safe custody, operation, storage and protection of the Equipment throughout the Rental Period.

6.2 Loss or Damage

The Hirer shall be liable for any loss, theft, destruction or damage to the Equipment, including its batteries, chargers, attachments, accessories, tyres and other components, regardless of cause, except where such loss or damage is solely and directly caused by the proven negligence or wilful misconduct of the Owner.

6.3 Customer-Caused Damage

The Hirer shall reimburse the Owner for all costs incurred in repairing or replacing the Equipment where damage results from:

- (a) collision;
- (b) overturning;
- (c) overloading;
- (d) misuse;
- (e) negligence;
- (f) improper operation;
- (g) operation by an unauthorised or unqualified operator;
- (h) fire;
- (i) flood;
- (j) theft;
- (k) vandalism;
- (l) contamination by corrosive substances; or
- (m) any other cause not attributable to normal wear and tear.

Repair costs shall include, where applicable:

- labour;
- travelling time;
- transportation;
- genuine replacement parts;
- subcontractor charges;
- inspection fees; and
- administrative costs reasonably incurred by the Owner.

6.4 Total Loss

Where the Equipment is lost, stolen, destroyed or damaged beyond economical repair, the Hirer shall immediately pay the Owner:

- (a) the full replacement value of the Equipment;
- (b) all transportation and recovery costs;
- (c) any outstanding Rental Charges;

(d) all other amounts due under this Contract.

The Owner shall determine, acting reasonably, whether the Equipment constitutes a total loss.

6.5 Return Condition

Upon expiry or termination of the Rental Period, the Hirer shall return the Equipment:

- (a) clean;
- (b) fully assembled;
- (c) in good working order;
- (d) together with all batteries, chargers, keys, manuals, access cards and accessories; and
- (e) in a condition consistent with Fair Wear and Tear only.

6.6 Inspection upon Return

The Owner shall inspect the Equipment after collection or return.

The Owner's inspection report, photographs, service records and technician's assessment shall constitute prima facie evidence of the Equipment's condition.

Any repairs required due to damage beyond Fair Wear and Tear shall be charged to the Hirer.

6.7 Downtime Charges

Where the Equipment is unavailable for rental due to damage caused by the Hirer, the Owner may charge:

- (a) loss of rental income during the repair period;
- (b) reasonable administrative costs;
- (c) transportation costs; and
- (d) repair charges.

6.8 Recovery Costs

Where the Equipment becomes immobilised, overturned or inaccessible due to the Hirer's actions, the Hirer shall pay all costs relating to:

- lifting;
- recovery;
- towing;
- transportation;
- crane hire;
- special handling; and
- emergency services.

6.9 Third-Party Claims

The Hirer shall indemnify and keep indemnified the Owner against all claims, actions, proceedings, liabilities, losses, damages, costs and expenses arising from:

- (a) bodily injury;
- (b) death;
- (c) property damage;
- (d) environmental damage;
- (e) business interruption;

arising out of the possession, operation or use of the Equipment by the Hirer, except to the extent directly caused by the negligence or wilful misconduct of the Owner.

6.10 No Limitation

The rights and remedies available to the Owner under this Contract are cumulative and shall not limit any rights or remedies available at law or in equity.

7. Payment

7.1 Invoicing

Unless otherwise agreed in writing, the Owner shall issue invoices monthly in advance for the Rental Charges.

The Owner may also issue invoices at any time for:

- (a) transportation charges;
- (b) repair costs;

- (c) excess Operating Hours;
- (d) replacement parts;
- (e) administrative charges;
- (f) recovery costs; and
- (g) any other amounts payable under this Contract.

7.2 Payment Terms

Unless otherwise specified in the Rental Agreement or the Owner's Quotation, all invoices shall be paid within **thirty (30) days** from the invoice date.

Payment shall be made in Hong Kong Dollars (HKD) by bank transfer or such other payment method as specified by the Owner.

Payment shall be deemed received only when cleared funds are credited to the Owner's designated bank account.

7.3 Time of Payment

Time for payment is of the essence.

Failure to make payment on or before the due date shall constitute a material breach of this Contract.

7.4 Late Payment Interest

Without prejudice to any other rights of the Owner, any overdue amount shall bear interest at the rate of **1.5% per month (18% per annum)**, calculated daily from the due date until payment in full.

The Hirer shall also reimburse the Owner for all reasonable costs incurred in recovering overdue amounts.

7.5 Collection Costs

Where the Owner appoints solicitors, debt collection agencies or other professional advisers to recover outstanding sums, the Hirer shall indemnify the Owner for all reasonable legal costs, debt recovery fees, court fees and related expenses on a full indemnity basis.

7.6 Suspension of Services

If any invoice remains unpaid after the due date, the Owner may, without prior notice:

- (a) suspend maintenance services;
- (b) suspend emergency breakdown services;
- (c) suspend delivery of replacement Equipment;
- (d) refuse further rental requests.

Such suspension shall not relieve the Hirer of its obligation to continue paying the Rental Charges.

7.7 Right to Recover Equipment

If the Hirer fails to make payment within **fourteen (14) days** after receiving a written demand, the Owner may, without prejudice to any other rights:

- (a) terminate this Contract;
- (b) enter the Hirer's premises during normal business hours (or at another reasonable time after notice) to recover the Equipment, where lawful;
- (c) recover all outstanding sums.

Any reasonable costs incurred in recovering the Equipment shall be payable by the Hirer.

7.8 No Withholding

The Hirer shall not withhold, delay or reduce payment because of:

- alleged defects;
- pending warranty claims;
- service disputes;
- counterclaims;
- set-off; or
- any dispute whatsoever,

unless otherwise required by law or agreed by the Owner in writing.

7.9 Excess Operating Hours

Where the Equipment exceeds the agreed Operating Hours stated in the Rental Agreement, the Hirer shall pay the applicable excess hour charges at the rate specified in the Owner's Quotation.

The Equipment's hour meter shall be conclusive evidence of the actual Operating Hours unless proven otherwise.

7.10 Credit Assessment

The Owner may, at any time during the Rental Period:

- (a) conduct credit assessments;
- (b) require updated financial information;
- (c) revise the Hirer's credit limit;
- (d) require advance payment;
- (e) require a security deposit; or
- (f) require additional guarantees,

where the Owner reasonably considers that the Hirer's financial position has materially deteriorated or there is a significant risk of non-payment.

7.11 Taxes

Unless otherwise required by applicable law, all Rental Charges are exclusive of taxes, duties, levies or similar governmental charges.

If any such taxes become payable, the Hirer shall reimburse the Owner upon receipt of a valid invoice.

7.12 Continuing Rental Charges

Rental Charges shall continue throughout the Rental Period notwithstanding:

- (a) temporary shutdown of the Hirer's business;
- (b) seasonal closure;
- (c) relocation;
- (d) reduction in production;
- (e) lack of work;
- (f) inability of the Hirer to utilise the Equipment,

unless otherwise expressly agreed in writing by the Owner.

8. Ownership of Equipment**8.1 Ownership**

Legal and beneficial ownership of the Equipment shall remain vested in the Owner at all times.

Nothing contained in this Contract shall operate to transfer or create any ownership interest in favour of the Hirer.

8.2 Identification

The Equipment may bear the Owner's identification labels, serial numbers, asset tags, QR codes or electronic tracking devices.

The Hirer shall not remove, alter, damage, obscure or interfere with any identification marks or tracking devices affixed to the Equipment.

8.3 No Encumbrance

The Hirer shall not:

- (a) sell;
- (b) mortgage;
- (c) charge;
- (d) pledge;
- (e) create any security interest over; or
- (f) otherwise deal with the Equipment as owner.

Any attempt to do so shall be void as against the Owner.

8.4 Inspection

The Owner may, upon giving reasonable prior notice, inspect the Equipment during normal business hours to verify its condition, location and compliance with this Contract.

Where there is reasonable evidence that the Equipment is at immediate risk of damage, loss or unlawful disposal, the Owner may inspect the Equipment without prior notice, to the extent permitted by applicable law.

9. Assignment and Subletting**9.1 No Assignment**

The Hirer shall not assign, transfer, novate or otherwise dispose of any of its rights or obligations under this Contract

without the prior written consent of the Owner.

9.2 No Subletting

The Hirer shall not:

- (a) sublet;
- (b) lend;
- (c) lease;
- (d) hire out;
- (e) allow any third party to possess or control the Equipment, without the Owner's prior written consent.

9.3 Breach

Any unauthorised assignment, transfer or subletting shall constitute a material breach of this Contract and shall entitle the Owner to terminate the Contract immediately and recover the Equipment.

10. Use and Operation of Equipment

10.1 Proper Use

The Hirer shall use the Equipment:

- (a) only for lawful business purposes;
- (b) only within the manufacturer's operating specifications;
- (c) only in a safe and proper manner;
- (d) only within suitable working environments.

The Equipment shall not be used for any purpose for which it was not designed.

10.2 Qualified Operators

The Equipment shall only be operated by persons who:

- (a) are properly trained;
- (b) are competent;
- (c) hold all licences or certificates required under Hong Kong law (where applicable);
- (d) have been authorised by the Hirer.

The Hirer shall be solely responsible for ensuring the competency of all operators.

10.3 Compliance with Laws

The Hirer shall comply with all applicable laws, regulations, codes of practice and occupational safety requirements relating to the possession and operation of the Equipment.

10.4 Public Roads

The Equipment shall not be used on any public road unless:

- (a) permitted by applicable law;
- (b) approved in writing by the Owner; and
- (c) adequately insured by the Hirer.

10.5 Prohibited Use

The Hirer shall not use the Equipment:

- (a) beyond its rated capacity;
- (b) for lifting persons unless specifically designed and approved;
- (c) for unlawful purposes;
- (d) in hazardous environments not approved by the manufacturer;
- (e) after any known mechanical fault has occurred;
- (f) in a reckless or negligent manner.

10.6 Daily Inspection

Before each working shift, the Hirer shall conduct a visual and functional inspection of the Equipment.

Any defect affecting safety shall be reported immediately and the Equipment shall not be operated until repaired or declared safe.

10.7 Alterations

The Hirer shall not install any attachment, accessory, telematics device or software without the Owner's prior written

consent.

10.8 Relocation

The Equipment shall not be relocated from the agreed operating site without the Owner's prior written approval. Any approved relocation shall be carried out at the Hirer's cost unless otherwise agreed.

10.9 Misuse

The Hirer shall be responsible for all losses arising from:

- improper operation;
- overloading;
- unauthorised modification;
- unsafe storage;
- use by unauthorised persons;
- failure to comply with the Owner's instructions.

11. Location of Equipment

11.1 Agreed Location

The Equipment shall be operated and kept only at the location specified in the Rental Agreement or such other location as may be approved in writing by the Owner.

11.2 Relocation

The Hirer shall not relocate or permit the Equipment to be relocated without the Owner's prior written consent.

Where relocation is approved, all transportation, loading, unloading, insurance and related costs shall be borne by the Hirer unless otherwise agreed in writing.

11.3 Inspection of Location

The Owner may, upon giving reasonable prior notice, inspect the location where the Equipment is situated to verify compliance with this Contract.

11.4 Overseas Removal

The Hirer shall not remove or permit the Equipment to be removed outside the Hong Kong Special Administrative Region without the Owner's prior written consent.

Any unauthorised removal shall constitute a material breach of this Contract.

12. Cancellation Before Delivery

12.1 Cancellation by Hirer

The Hirer may cancel the Rental Agreement before delivery only with the prior written consent of the Owner.

12.2 Cancellation Charges

Where the Hirer cancels the Rental Agreement before delivery, the following cancellation charges shall apply:

(a) Cancellation within five (5) Business Days after the Owner's acceptance of the order:

30% of the total Contract value.

(b) Cancellation after five (5) Business Days but before delivery:

50% of the total Contract value.

(c) Cancellation after the Equipment has been delivered or made available:

The Hirer shall be liable for all Rental Charges accrued together with the early termination charges set out in Clause 13.

12.3 Owner's Costs

The above cancellation charges are without prejudice to the Owner's right to recover any additional loss actually suffered where such loss exceeds the cancellation charge.

13. Expiry and Termination

13.1 Expiry

Unless earlier terminated in accordance with this Contract, the Rental Period shall expire on the date specified in the Rental Agreement.

13.2 Early Termination by Hirer

The Hirer may terminate the Rental Agreement before expiry only with the Owner's written consent.

Where early termination is accepted by the Owner, the Hirer shall:

- (a) pay all outstanding Rental Charges;
- (b) return the Equipment in accordance with this Contract;
- (c) pay the applicable early termination charge.

13.3 Early Termination Charges

Unless otherwise agreed in writing:

Long-Term Rental (LTR)

More than six (6) months remaining:

80% of the remaining Rental Charges.

Six (6) months or less remaining:

60% of the remaining Rental Charges.

Short-Term Rental (STR)

The Hirer shall pay all Rental Charges up to the agreed expiry date or one (1) month's Rental Charge, whichever is greater.

13.4 Immediate Termination by Owner

The Owner may terminate this Contract immediately by written notice if the Hirer:

- (a) fails to pay any amount due;
- (b) commits any material breach;
- (c) becomes insolvent;
- (d) enters liquidation;
- (e) has a receiver, administrator or similar officer appointed;
- (f) ceases business;
- (g) allows the Equipment to be seized;
- (h) unlawfully disposes of the Equipment;
- (i) repeatedly operates the Equipment in an unsafe manner.

13.5 Recovery of Equipment

Upon termination, the Owner may require the immediate return of the Equipment.

If the Hirer fails to return the Equipment within the time specified by the Owner, the Owner may, where lawful and after giving any notice required by law, enter the Hirer's premises to recover the Equipment.

The Hirer shall provide all reasonable assistance necessary to facilitate the recovery of the Equipment.

13.6 Continuing Rental

Where the Equipment remains in the possession of the Hirer after expiry or termination, the Rental Agreement shall automatically continue on a month-to-month basis until the Equipment is returned and accepted by the Owner.

During such period:

- (a) Rental Charges shall continue to accrue;
- (b) the Owner may revise the Rental Charges upon written notice;
- (c) all Terms and Conditions shall continue to apply.

13.7 Failure to Collect

If collection cannot be completed because:

- access is denied;
- industrial action;
- lockout;
- strike;
- unsafe site conditions;
- obstruction;
- any act or omission of the Hirer,

Rental Charges shall continue until collection is completed.

All additional transportation, waiting time and recovery costs shall be payable by the Hirer.

13.8 Survival

Termination or expiry of this Contract shall not affect:

- (a) payment obligations accrued before termination;
- (b) indemnities;
- (c) limitation of liability;
- (d) confidentiality;
- (e) governing law;
- (f) dispute resolution;
- (g) any provision which by its nature is intended to survive termination.

14. Limitation of Liability

14.1 Hirer's Liability

The Hirer shall be liable for all losses, damages, costs and expenses suffered by the Owner arising from the Hirer's breach of this Contract.

14.2 Owner's Liability

To the maximum extent permitted by applicable law, the Owner shall not be liable for any indirect, incidental, special or consequential loss or damage, including but not limited to:

- (a) loss of profit;
- (b) loss of production;
- (c) loss of business;
- (d) loss of contracts;
- (e) loss of goodwill;
- (f) business interruption;
- (g) loss of anticipated savings.

14.3 Maximum Liability

Except in respect of death or personal injury caused by the Owner's negligence, fraud or any liability which cannot lawfully be excluded, the Owner's total aggregate liability arising out of or in connection with this Contract shall not exceed the total Rental Charges actually paid by the Hirer under the relevant Rental Agreement.

14.4 No Warranty

Except as expressly stated in this Contract, the Owner gives no warranty, representation or guarantee, whether express or implied, including any warranty of merchantability, satisfactory quality or fitness for a particular purpose.

14.5 No Operational Guarantee

The Owner does not warrant that the Equipment will operate continuously without interruption or that it will meet the Hirer's specific production requirements.

15. Force Majeure

15.1 Force Majeure

Neither party shall be liable for any delay or failure in performing its obligations where such delay or failure results from events beyond its reasonable control.

15.2 Force Majeure Events

Such events include but are not limited to:

- typhoon;
- severe weather;
- flood;
- fire;
- epidemic;
- pandemic;
- war;
- riot;
- civil disturbance;
- terrorist acts;
- labour disputes;

- governmental restrictions;
- shortage of fuel;
- shortage of electricity;
- transportation disruption;
- import restrictions;
- shortage of spare parts.

15.3 Notice

The affected party shall notify the other party as soon as reasonably practicable.

15.4 Right to Terminate

If the Force Majeure Event continues for more than ninety (90) consecutive days, either party may terminate the affected Rental Agreement by written notice without further liability, save for obligations accrued prior to termination.

16. Insurance

16.1 Hirer's Insurance

The Hirer shall, throughout the Rental Period, maintain adequate insurance covering:

- (a) loss or damage to the Equipment;
- (b) public liability;
- (c) third-party property damage;
- (d) bodily injury;
- (e) employer's liability (where required by law).

16.2 Evidence of Insurance

The Hirer shall provide evidence of insurance upon the Owner's reasonable request.

Failure to do so shall constitute a material breach of this Contract.

16.3 Insurance Does Not Limit Liability

The existence of insurance shall not relieve the Hirer from any liability under this Contract.

17. Personal Data

The parties shall comply with the **Personal Data (Privacy) Ordinance (Cap. 486) of Hong Kong** in relation to the collection, use, storage and processing of Personal Data.

The Owner may process the Hirer's Personal Data for:

- contract administration;
- credit assessment;
- debt recovery;
- maintenance support;
- legal compliance.

18. Confidentiality

Each party shall keep confidential all commercial, technical and financial information obtained from the other party and shall not disclose such information except:

- (a) where required by law;
- (b) to professional advisers;
- (c) with prior written consent.

This obligation shall survive termination of this Contract.

19. Notices

Any notice required under this Contract shall be in writing and may be served by:

- personal delivery;
- courier;
- registered mail;
- email.

Notice sent by email shall be deemed received on the Business Day following transmission unless delivery failure is notified.

20. Entire Agreement

This Contract constitutes the entire agreement between the parties and supersedes all previous negotiations, representations and agreements relating to the rental of the Equipment.

No amendment shall be effective unless made in writing and signed by both parties.

21. Governing Law

This Contract shall be governed by and construed in accordance with the laws of the **Hong Kong Special Administrative Region**.

22. Dispute Resolution

Any dispute arising out of or in connection with this Contract shall first be resolved through good faith negotiations.

If the dispute cannot be resolved within thirty (30) days, either party may refer the dispute to the exclusive jurisdiction of the Courts of Hong Kong.