

HIRE CONTRACT CONDITIONS

Kennards Hire New Zealand Limited CN 3978958 GST No: 109839019

KENNARDS
HIRE

NOTE TO CUSTOMER

You should read these Hire Contract Conditions very carefully. They contain terms and conditions which may impact you, including that;

- (a) the liability of Kennards to its Customers is excluded in some circumstances; and
- (b) Customers may be liable for damage to goods that are hired by them, and for damage to goods or property owned by a third party; and
- (c) Kennards' Privacy Policy permits Kennards in some circumstances and subject to compliance with New Zealand Privacy Principles to provide data about a Customer, or data provided by a Customer, to a third party in a form that may enable the third party to identify the Customer.

These Hire Contract Conditions apply to the exclusion of any other conditions proposed by the Customer, unless otherwise agreed by Kennards and the Customer in writing. Kennards agrees to hire Equipment to the Customer on terms set out in this document. If the Customer wishes to hire Equipment, Kennards will issue to the Customer a Hire Schedule, setting out the terms of the hire of that Equipment. Each Hire Schedule is not a separate contract but forms a part of this Hire Contract between Kennards and the Customer, together with any credit application, guarantee and indemnity or other contractual documents. The Customer agrees to receive hire schedules and all associated documentation by electronic means, or by printed or other form where electronic means are not available. The Customer must check the Hire Schedule on receipt and unless the Customer notifies Kennards before collection of the Equipment that it disagrees with anything in the Hire Schedule, the terms of the Hire Schedule are accepted by the Customer. Kennards may in its absolute discretion decline to hire Equipment to the Customer at any time if it has reasonable cause to do so.

Amendment: These Hire Contract Conditions may be changed by Kennards from time to time by Kennards giving notice of the amendment to the Customer. Notice is deemed given when Kennards does any of the following:

- (a) sends notice of the amendment to the Customer at any address (including an email address) supplied by the Customer;
- (b) publishes the amended terms on its website or
- (c) displays the amended terms at premises from which Kennards conducts hire operations.

Changes to these Hire Contract Conditions will only apply to Hire Schedules entered into after the change has been notified to the Customer by one of the methods mentioned above.

1. INTERPRETATION OF WORDS IN THIS CONTRACT;

COMMENCEMENT – The date and time when the Customer takes possession of the Equipment.

EQUIPMENT – Means any kind of equipment, machinery, vehicles, tools or other items whatsoever, which may be available for hire from Kennards, and includes parts and accessories.

CUSTOMER – refers to the person, firm, organisation, partnership, corporation or other entity (including a trust) hiring the Equipment from Kennards Hire as identified in the Credit Application or Hire Schedule.

EXCESSIVE CLEANING – Means any cleaning, in addition to a basic wash and wipe, required to return the Equipment to the condition immediately prior to the hire, excluding fair wear and tear. Excessive Cleaning includes but is not limited to removal of paint stains, resins, concrete, grout and cement.

HIRE CHARGE – The amounts shown on the Hire Schedule payable by the Customer to hire the Equipment.

HIRE PERIOD – Means from Commencement until the end of the period shown on the Hire Schedule. The Hire Period may only be extended for one or more definite periods and in each case this can only be done if the Customer requests it and if Kennards agrees. Kennards may issue an amended Hire Schedule for any extension of the Hire Period.

HIRE SCHEDULE – Means a document in such form as Kennards shall require, setting out the terms of the hire of Equipment, including the particulars of the Equipment and the Hire Period and such other information as Kennards may decide to include.

KENNARDS – The company or companies listed on the Hire Schedule.

KILOMETRE CHARGE – The amount shown in the Hire Schedule payable for the kilometres that a Motor Vehicle has, in the reasonable opinion of Kennards, travelled during the Hire Period.

MOTOR VEHICLE – A truck or utility but not any other Equipment such as a scissor lift, trailer or skid-steer loader.

PORTABLE BUILDING – Any relocatable, demountable, containerised, transportable building including complexes that is designed to be moveable

REMOTE AREA – Any location which is more than 50 kilometres from the Kennards branch from where the Equipment is hired.

2. KENNARDS OBLIGATIONS

Kennards will:

- 2.1 Allow the Customer to take and use the Equipment for the Hire Period;
- 2.2 Provide the Equipment to the Customer clean and in good working order;
- 2.3 Collect the Equipment within five days of being requested to do so by the Customer and issuing to the Customer a customer pick up number.

NOTE TO CUSTOMER:

You must return the Equipment at your expense when due back unless you obtain a customer pick up number from Kennards.

3. OBLIGATIONS OF THE CUSTOMER

The Customer must:

- 3.1 Deliver the Equipment to Kennards when it is due back;
- 3.2 Return the Equipment to Kennards clean and in good repair;
- 3.3 Satisfy itself at Commencement that the Equipment is suitable for its purposes;
- 3.4 Notify Kennards when the Equipment is available for collection;
- 3.5 Operate the Equipment safely, strictly in accordance with the law, only for its intended use, and in accordance with any manufacturer's instructions whether supplied by Kennards or posted on the Equipment;

NOTE TO CUSTOMER: You MUST advise Kennards if you require any further instruction on the operation and safe use of the Equipment

- 3.6 **Indemnify** Kennards for all injury and/or damage to the extent caused or contributed to by the Customer to persons and property in relation to the Equipment and its operation and have adequate insurance to cover all liabilities incurred as a result of the use of the Equipment;
- 3.7 Ensure that any person collecting or taking delivery of Equipment on behalf of the Customer is authorised by the Customer to do so and the Customer will not allege that any such person is not so authorised;
- 3.8 Ensure that all persons operating or erecting the Equipment are suitably instructed in its safe and proper use and where necessary hold a current Certificate of Competency and/or are fully licensed;
- 3.9 Conduct a thorough hazard and risk assessment before using the Equipment and comply with all Occupational Health and Safety laws relating to the Equipment and its operation;
- 3.10 Safely secure all items loaded in or on the Equipment or in or on the Customer's vehicle, or accept responsibility for items loaded and/or secured by Kennards and indemnify Kennards in respect of any injury and/or damage caused by items falling from the Equipment or from any vehicle or trailer operated by or on behalf of the Customer;
- 3.11 Operate the Equipment with an adequate motor vehicle and/or power source safely in accordance with the manufacturers operating instructions and applicable law;
- 3.12 Report and provide full details to Kennards of any accident or damage to the Equipment as soon as practicably possible and not more than two business days of the accident or damage occurring;
- 3.13 Sign any documentation requested by Kennards at such intervals as reasonably stipulated by Kennards, to confirm the Customer's acceptance of these Hire Contract Conditions.
- 3.14 Assist and co-operate fully and promptly with Kennards and/or its insurer in the investigation, settlement or defence of any claim or matter relating to a Hire Schedule on which the Customer is named;
- 3.15 Remain responsible for the care and safekeeping of the Equipment until collected by or delivered back to Kennards.

The Customer must NOT;

- 3.16 Tamper with, damage or repair the Equipment;
- 3.17 Lose or part with possession of the Equipment;
- 3.18 Rely upon any representation relating to the Equipment or its operation other than those contained in this Contract;
- 3.19 Allow any person to drive a Motor Vehicle if the person:
 - (a) does not hold a suitable licence to drive that class of Motor Vehicle; or
 - (b) is affected by drugs and/or alcohol.
- 3.20 Exceed the recommended or legal load and capacity limits of the Equipment;
- 3.21 Use or carry any illegal, prohibited or dangerous substance in or on the Equipment.
- 3.22 Exceed the recommended or legal speed limit for the Equipment.

4. NO ASSIGNMENT BY CUSTOMER

- 4.1 This Agreement is personal to the Customer and is not capable of assignment by the Customer, but this shall not prevent employees of the Customer using the Equipment in accordance with the terms of this agreement.
- 4.2 Kennards may assign its rights under this agreement without the consent of the Customer or any guarantor.

5. PAYMENTS BY THE CUSTOMER TO KENNARDS

- 5.1 On or before Commencement (or as otherwise specifically agreed in writing with Kennards), the Customer will pay the Hire Charge.
- 5.2 Immediately on request by Kennards, the Customer will pay:
 - (a) the new list price of any Equipment which is for whatever reason not returned to Kennards

NOTE TO CUSTOMER: Subject only to any express provision of this Contract to the contrary, the Customer is responsible for loss or theft of the Equipment

- (b) all costs incurred in Excessive Cleaning of the Equipment or the cleaning fee as stipulated on the Hire Schedule;
 - (c) the full cost of repairing any damage to the Equipment caused or contributed to by the Customer, unless expressly agreed otherwise in this Contract;
 - (d) GST, any other taxes or duties, and all tolls, fines, penalties, levies or charges payable in respect of this Contract or arising from the Customer's use of the Equipment;
 - (e) all costs incurred by Kennards in recovering possession of the Equipment;
 - (f) a late payment fee calculated daily at 3% per month on all amounts owing by the Customer not paid on time;
 - (g) the Kilometre Charge;
 - (h) the cost of fuels and consumables provided by Kennards and not returned by the Customer;
 - (i) any expenses and legal costs (including commission payable to a commercial agent) incurred by Kennards in enforcing this contract due to the Customers default;
 - (j) all costs of repairing or replacing tyres, including road service;
 - (k) if any damage and/or theft waiver applies, the amount for which the Customer is liable as set out in this Contract;
 - (l) Loading costs when equipment hired with an hour meter is used in excess of eight hours per day;
 - (m) Hire fees for the period from the commencement of the hire until the Equipment is returned or a customer pick up number is obtained from Kennards; and
 - (n) All non-recoverable costs incurred by Kennards in the provision of Equipment and/or services due to cancellation or postponement by the Customer.
- 5.3 Without limiting the ability of Kennards to recover all amounts owing to it, the Customer irrevocably authorises Kennards to charge any amounts owing by the Customer to any credit card or bank account details of which are provided to Kennards.
 - 5.4 Kennards may tokenise the Customer's credit card or bank account details to facilitate credit card or online payments.

6. OWNERSHIP / RETENTION OF TITLE

All equipment supplied by Kennards to the Customer under this agreement shall remain the property of Kennards.

7. PPSA

- 7.1 If a 'security interest' for the purposes of the Personal Property Securities Act 1999 ("PPSA") arises in relation to the Equipment provided to the Customer under this agreement whether created or provided for by a lease for a term of more than one year or otherwise ("security interest") then the terms of this clause 7 shall apply.
- 7.2 Kennards may register its security interest. The Customer must do anything (such as obtaining consents and signing documents) which Kennards requires for the purposes of:

(a) ensuring that Kennards security interest is enforceable, perfected and otherwise effective under the PPSA;

(b) enabling Kennards to gain first priority for its security interest; and

(c) enabling Kennards to exercise rights in connection with the security interest.

7.3 The Customer agrees that nothing in sections 114(1)(a), 133 or 134 of the PPSA applies to this agreement, and waives its rights under sections 121, 125, 129, 131 and 132 of the PPSA.

7.4 Customer must not lease, hire, bail or give possession ('sub-hire') of the Equipment to anyone else or grant or create any security interest in the Equipment unless Kennards (in its absolute discretion) first consents in writing. Any such sub-hire must be in writing in a form acceptable to Kennards and must be expressed to be subject to the rights of Kennards under this agreement.

Customer may not vary a sub-hire without the prior written consent of Kennards (which may be withheld in its absolute discretion).

7.5 Customer must ensure that Kennards is provided at all times with up-to-date information about the sub-hire including the identity of the sub-hirer, the terms of and state of accounts and payment under the sub-hire and the location and condition of the Equipment.

8. DAMAGE WAIVER

8.1 Damage Waiver is not insurance, but is an agreement by Kennards that the Customer's liability for damage to the Equipment can be limited in some circumstances only, to an amount called the Damage Waiver Excess.

NOTE TO CUSTOMER: Damage Waiver does NOT cover the costs of recovery of the Equipment, which are always payable by the Customer.

8.2 Subject to the provisions of this Section 8, Damage Waiver applies to each incident occurring in all hires, for no additional fee. The Damage Waiver Excess is the actual repair cost of the Equipment, or 20% of the current replacement cost of the Equipment as reasonably determined by Kennards using supplier's list prices, whichever is the lesser amount.

DAMAGE WAIVER DOES NOT APPLY AND WILL NOT LIMIT THE CUSTOMER'S LIABILITY in the following circumstances;

(a) where the Equipment is lost or stolen;

(b) where the operator is not suitably licensed;

(c) where the operator is affected by drugs and/or alcohol;

(d) where the Equipment has been wilfully damaged at any time during the Hire Period;

(e) Where the damage is caused by rolling or detachment while the Equipment is being driven or towed;

(f) where the damage is caused while the Equipment is being driven or towed on any road that is unsealed or is not a public road;

(g) where the damage is caused in any way by overloading;

(h) where the damage is caused by flash flooding or general water damage;

(i) where the damage is caused by a collision with a bridge, carpark, awning, gutter, tree or any other overhead structure or object whatsoever due to insufficient clearance; or

(j) where the damage is caused to a truck pantech or truck crane.

8.3 The Customer may pay an additional Vehicle Waiver Plus Fee (excluding Customers on a restricted licence) in relation to the hire of Motor Vehicles, which for each incident will:

(a) reduce the Damage Waiver Excess in relation to Motor Vehicles and third party damage to property or goods caused by the use of the Motor Vehicle by the Customer;

(b) cover damage to a pantech or van body above cab height; and

(c) add a theft waiver component for Motor Vehicles. The theft waiver component is not insurance, but is an agreement by Kennards that the Customer's liability for theft or loss of the Motor Vehicle can be limited in some circumstances only to an amount called the Theft Waiver Excess.

Kennards may ask the Customer to pay the Vehicle Waiver Plus Fee on the hire of Motor Vehicles, but the Customer may decide to opt out of that payment.

Credit account customers will have the Vehicle Waiver Plus applied to all relevant hires unless the Customer has declined the Waiver on their credit application or opted out by providing notice to Kennards in writing.

The reduced Damage Waiver Excess and the Theft Waiver Excess apply to Motor Vehicles when the Vehicle Waiver Plus Fee is paid this will be shown on the Hire Schedule and will vary for different classes of vehicles.

8.4 The Customer may pay an additional Equipment Waiver Plus Fee in relation to the hire of medium and large Equipment (being such Equipment as determined by Kennards at the time of hire), which for each incident will;

(a) reduce the Damage Waiver Excess in relation to Equipment; and

(b) add a Theft Waiver component for medium and large machinery. Theft Waiver is not insurance, but is an agreement by Kennards that the Customer's liability for theft or loss of the Equipment can be limited in some circumstances only to an amount called the Theft Waiver Excess.

Kennards may ask the Customer to pay the Equipment Waiver Plus Fee on the hire of medium and large Equipment, but the Customer may decide to opt out of that payment.

Credit account customers will have Equipment Waiver Plus applied to all

relevant hires unless the Customer has declined the Waiver on their credit application form or have opted out by providing notice to Kennards in writing.

The reduced Damage Waiver Excess and the Theft Waiver Excess which apply to medium and large Equipment when the Equipment Waiver Plus Fee is paid will be shown on the Hire Schedule and will vary for different types of machinery.

8.5 THEFT WAIVER DOES NOT APPLY AND WILL NOT LIMIT THE CUSTOMER'S LIABILITY FOR THEFT in the following circumstances;

(a) where the Customer has failed to keep the Equipment in a securely locked enclosed area, or in the case of a Motor Vehicle, has failed to properly secure or lock the Motor Vehicle; or

(b) where the Customer has failed to submit to Kennards a Police report on the theft within seven days of the theft allegedly occurring.

In the event of Theft Waiver applying, hire fees will be charged to the Customer until the Police Report is provided to Kennards.

8.6 Damage Waiver will NOT apply where Kennards determines that any applicable exclusion mentioned in this Section 8 applies, including the circumstances in clauses 8.2(a)-(j) or 8.5(a)-(b) respectively, unless the Customer is able to establish otherwise to the reasonable satisfaction of Kennards.

8.7 Equipment Waiver Plus and Vehicle Waiver Plus, including Theft Waiver, will NOT apply where Kennards determines that any applicable exclusion in clauses 8.2(b)-(h) or 8.5(a)-(b) applies.

8.8 A Damage Waiver Excess must be paid by the Customer for each and every separate incident which may occur in any Hire Period, where any Damage Waiver is applicable under this section 8.

8.9 A Theft Waiver Excess must be paid by the Customer for each and every separate incident which may occur in any Hire Period, where any Theft Waiver is applicable under this section 8.

8.10 If any damage is caused by the Customer to any property or goods whatsoever owned by a third party as a result of or during the use of a Kennards Motor Vehicle, and if the Customer has breached any provision of this Contract or if any of the circumstances described in clauses 8.2(a)-(j) have occurred, the Customer will be liable for the full cost of that third party property damage to the extent caused by the Customer. If the Customer has not breached this Contract and none of the circumstances described in clauses 8.2(a)-(j) have occurred, the Customer will be liable for the full cost of the third party property damage to the extent caused by the Customer, or \$1,500, whichever is the lesser amount.

9. EXCLUSION OF WARRANTIES AND LIABILITIES.

9.1 Where the Consumer Guarantees Act 1993 ("CGA") applies, the Customer has the benefit of guarantees in relation to the hire of the Equipment which cannot be excluded.

9.2 Where the CGA applies and the Equipment is hired for business purposes the CGA is excluded to the fullest extent permitted by law.

9.3 To the extent that the CGA (or any other law which cannot be excluded) does not apply, Kennards makes no representations and gives no warranties other than those set out in these Hire Contract Conditions, and will not be liable to the Customer for any damages, costs or other liabilities whatsoever (including for consequential loss) in relation to the hiring of the Equipment by the Customer.

9.4 Kennards shall have no liability to the Customer, the guarantor or any other person whether in contract, tort or otherwise for any consequential or indirect damages or losses except to the extent otherwise mandatorily required by law.

10. PORTABLE BUILDINGS

10.1 The Customer may postpone a Portable Building hire for a total period of up to 4 weeks from the initial hire start date without penalty other than for the non-recoverable costs referred to in clause 10.4.

10.2 Kennards is under no obligation to agree to any requested postponement of a Portable Building hire for a period greater than 4 weeks from the hire start date, and on receipt of such request, Kennards may terminate this Contract, acting reasonably. If Kennards does agree to a postponement of greater than 4 weeks, the Customer agrees to pay an additional storage fee equal to 50% of the total hire charge for the period of postponement beyond 4 weeks.

10.3 The Customer is required to provide notice of postponement to Kennards in writing prior to the initial hire start date and obtain a revised Hire Schedule as proof of acceptance.

10.4 Should a Portable Building hire be cancelled or postponed, the customer must also pay all non-recoverable costs incurred by Kennards in connection with the hire. Non-recoverable costs may include but are not limited to freight, travel, labour, accommodation and third party contractor payments.

10.5 Kennards will charge the customer a cleaning fee on all returned Portable Buildings. The Customer is responsible for any additional costs incurred by Kennards to return the Portable Building to a condition suitable for hire.

10.6 The Customer must obtain prior written consent from Kennards for the relocation of any Portable Building and is solely responsible for all costs, losses, expenses or damage arising from relocating.

10.7 Unless otherwise agreed between Kennards and the Customer, the Customer is responsible for ensuring the Portable Building is firmly fixed to foundations or securely anchored to the ground during the Hire Period.

11. REMOTE HIRE

Where the Equipment is at any time hired by the Customer to be located in a Remote Area, the following clauses will also apply, in addition to the obligations of the Customer under Clause 3 and elsewhere in these Hire Contract Conditions;

(a) The Customer will pay an additional charge for any delivery, servicing and repair of the Equipment, and for any other attendance at the Remote Area by Kennards ('Remote Area Charges'). The Remote Area Charges will be calculated on a per kilometre rate travelled by Kennards staff to and from the Remote Area, plus labour costs per staff member per hour (including travelling times) at scheduled rates, plus direct travelling cost including all airfares and accommodation charges incurred by Kennards and its staff in connection with travel to and from the Remote Area;

(b) Multiple items of Equipment on hire by a Customer on the one site will only be charged for one call out fee;

(c) The Customer is responsible at its cost for daily maintenance and care of all items of Equipment on hire by a Customer, including lubrication of all grease points.

(d) The customer can only service and repair Equipment with the express permission of Kennards and records of all maintenance activities performed by the Customer must be provided to Kennards.

12 BREACH OF HIRE CONTRACT BY CUSTOMER

If the Customer breaches any significant provision of this Contract and does not remedy the breach within a reasonable period of time (having regard to the breach), or becomes bankrupt, insolvent or ceases business then;

12.1 Kennards shall be entitled to:

(a) terminate this Contract; and/or

(b) sue for recovery of all monies owing by the Customer; and/or

(c) repossess the Equipment (and is authorised to enter any premises where the Equipment is located to do so), and any Damage and/or Theft Waiver referred to in clause 8 is immediately invalidated.

12.2 The Customer indemnifies Kennards in respect of any damages, costs or loss, to the extent caused or contributed to by the customer resulting from a breach by the Customer of any provision of this Contract.

13 DISPUTES

13.1 The Customer must immediately check all Hire Charges, and any disputes in relation to those Hire Charges must be communicated to Kennards in writing within 30 days of the hire contract date. In the event that no communication is received from the Customer within that 30 day period, the Hire Charges are deemed to be accepted by the Customer.

13.2 If a dispute arises relating to this Contract, the hiring or the use of the Equipment (except in regard to payments due to Kennards), the parties agree to take reasonable steps within a period of ten days of the dispute arising to negotiate to settle the dispute with the assistance of Hire Industry Association of New Zealand Inc. before litigation.

14 EQUIPMENT DATA

Kennards' Equipment may contain on-board devices (each a GPS Device) which enable the Equipment to be connected to the internet and to send commands to and receive certain information from the Equipment, including geolocation data from a global positioning system and other data including but not limited to speed, battery voltage and ignition status of such Equipment.

By hiring any Equipment from Kennards, the Customer expressly consents to Kennards' use of the GPS Device on such Equipment during the Hire Period and to Kennards collecting, using and retaining information from the GPS Device in accordance with our Privacy Policy, and that Kennards is the owner of that data subject to your rights as set out in our Privacy Policy.

15 PRIVACY ACT 1993

The Customer and any guarantor consent to Kennards obtaining such information and making such enquiries about either of them from any source, including credit reference and reporting agencies and companies related to Kennards, in relation to this agreement and disclosing information about either of them to credit reference agencies, companies related to Kennards, sureties, financiers of Kennards, the trustee under any debenture trust deed granted by Kennards or assignees or anyone who is considering becoming a surety or assignee. A person has the right to access personal information (within the meaning of the Privacy Act 1993) held by Kennards and request correction of any errors in that information.



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16 PAYMENTS

All payments under this Agreement by the Customer must be made without set-off, counterclaim or withholding.

17 GOVERNING LAW

The hire contract containing these Hire Contract Conditions is governed by the law of New Zealand and the parties submit to the non-exclusive jurisdiction of the courts of New Zealand.

18 CONTACTLESS COLLECTION AND RETURN

18.1 Kennards may in its discretion, and subject to satisfactory identification of the Customer and its authorised representatives, issue a Personal Identification Number ("PIN") to an individual authorised representative of the Customer to allow self-collection and self-return of the Equipment by the Customer from and to a Kennards branch ("the Branch"). The PIN may be withdrawn by Kennards in its discretion at any time. The Customer must comply with all requirements stipulated from time to time by Kennards for entry to the Branch using the PIN, including that the Customer must;

- (a) follow all directions given by Kennards as to the procedure for obtaining access to the Branch;
- (b) enter the Branch at its own risk, and any injuries or death or damage to Equipment or property that may occur while loading or unloading equipment or in any other circumstances while the Customer is accessing the branch are the responsibility of the Customer;
- (c) ensure that the main gate of the Branch is closed and locked when leaving the Branch, failing which the Customer will be liable for any theft or attempted theft of equipment from the Branch, or for any damage to equipment at the Branch, or damage to the Branch itself;
- (d) consent to being filmed or photographed by CCTV while at and entering and leaving the Branch;
- (e) Before it enters the Branch, ensure that it has requested and obtained from Kennards any assistance it may require as to the operation and safe use of the Equipment;
- (f) at all times keep confidential the PIN, and ensure that the PIN is only used by the person to whom it is issued and that no other persons are given access to the Branch at any time; and
- (g) only take into their possession, Equipment detailed on an active Hire Schedule provided to the Customer by Kennards.

