

## Standard Conditions of Plant and Equipment Rental

1. The conditions stated herein shall apply to and form part of any equipment and plant rental agreement (the agreement) entered into between the Client and the Supplier whether such agreement refers to the conditions stated herein or not and shall override any conflicting terms or conditions referred to by the Supplier (in any quotation, tender, negotiations or otherwise) unless expressly agreed in writing by an authorized representative of the Client. No variation in, or waiver of, or addition to the conditions stated herein shall be binding on the Client unless expressly confirmed in writing by an authorised representative of the Client.
2. Equipment and plant shall include all kinds of vehicles and land or marine transports.
3. The Client shall have the right to examine the equipment and plant any time after delivery to the Client and to reject any of the equipment and plant if the Client considers them defective, inferior or otherwise not in accordance with the agreement. The Client shall notify the Supplier of any such rejection and the equipment and plant so rejected shall on and from such notification be at the Supplier's sole risk and shall be collected forthwith by the Supplier at the Supplier's expense. The Supplier shall without delay replace such rejected equipment and plant with ones that comply in all respects with the agreement.
4. The Supplier shall indemnify the Client against all losses or damages of whatsoever kind suffered to the Client directly or indirectly due to the failure of the Supplier to comply with or to perform the agreement or by reason of the neglect or default of the Supplier, his employees or agents.
5. The Supplier warrants that the equipment and plant related to work (and their quality, construction, manufacture and design) shall comply in all respects with all relevant requirements of any statutory rule or regulation or other instrument having the force of law (in each case in force at the time of delivery) and that the equipment and plant related to work shall be safe to operate when properly used. Acceptance of the equipment and plant by the Client shall not be deemed an admission by the Client that the equipment and plant comply with such requirements.

If the equipment and plant related to work fails to comply with any statutory regulation, the Supplier shall be responsible for all the penalties and related expenses imposed on the Client.

6. If the operator is supplied by the Supplier, the supplier shall be held responsible for the cleaning, daily maintenance, and proper and efficient all operation of the equipment or plant in a legal manner in accordance with applicable safety and environmental protection regulations.
7. The Supplier shall provide without delay to the Client for inspection the original of any registration or suppliership document, employment contract between Supplier and his operators, insurance policies or safety certificate whenever it is required.
8. If the Supplier's operator fails to report to duty, the Client shall have the right to operate the Supplier's equipment or plant.
9. The Supplier shall take prompt actions against any breakdown of the equipment or plant related to work. It shall be considered as a breach of contract by the Supplier if the Supplier fails to repair the equipment or plant and put it back in working condition within reasonable time.
10. Deduction of rental charge shall be applied if breakdown exceeds five (5) consecutive hours and the Supplier fails to provide a replacement. The deduction rate shall be calculated on a pro-rata basis according to the hire charges.
11. If the plant or equipment is hired without the supply of an operator, no extra charge shall be added for the plant or equipment to work overtime or on Sundays, public holidays and statutory holidays.
12. If the daily rate and/or the hourly rate is not stated on the agreement, the calculation of rental charge for extension, deduction, or overtime shall be on a pro-rata basis according to the below definition. A working month is equal to twenty-six (26) working days and a working day is equal to nine (9) working hours from 08:00 - 18:00 hour excluding the lunch hour.

It is a condition precedent that any claim for overtime or extension of hiring period must be instructed by the Project Manager in writing under a prescribed overtime form issued prior to the carrying out of the work. The Supplier will be deemed to waive his right to claim for payment if he fails to comply with the above requirement.

13. The Employee's Compensation Insurance and Third Party Insurance (exclude Self-employed persons) are arranged by the Client or by the Employer as stipulated in the Main Contract between the Client and the Employer. The injury incident claim is compensated in accordance with the laws and regulations of Hong Kong Special Administrative Region.

The insurance policy to cover the self-employed persons should be provided by the Supplier with joint name of the Client, the amount and /or coverage of risks insured under these insurance policies should sufficient to cover Client's risks, duties and related working areas.

The supplier is deemed to have read and understood all the terms of these insurance policies which is procured by the Client or contained in the Main Contract. The Supplier may effect such further insurance as he considers necessary.

14. The Supplier shall procure at his own expenses a machinery all risk insurance for his equipment and plant related to work.
15. The Client shall not liable for any liability arising from or in connection with the plant and machinery damages.
16. The Supplier shall indemnify the Client against all losses and claims for injury or damage to any person or property whatsoever that cannot be covered or fully covered under the Client's insurance if such losses and claims are due to or as a result of any act directly or indirectly caused by, including but not limited to, the recklessness, negligence, incompetence, or misfit of the Supplier, his employees or agents or by any unsafe operations or conditions of the Supplier's plant and equipment.
17. The agreement may be terminated by either party by giving the other a written notice at least one day in advance if it is on daily rental or seven days in advance if it is on monthly rental.
18. The Client has the right to extend the agreement for a maximum of three months with the same charge and conditions stated on the agreement.
19. If the Client suffers damages or losses as a result of the non-compliance with the agreement or any of the conditions stated herein or failure to comply with any of the regulations, rules, enactments, and the like under the Law of Hong Kong by the Supplier, the Client shall have the right to recover the losses, damages, fines or compensation from any monies due to the Supplier.
20. Failure by the Client at any time to enforce any of the provisions of the conditions stated herein shall not be construed as a waiver by the Client of such provisions or any other provisions of the agreement.
21. The provisions of the agreement and the conditions stated herein shall be governed and construed in accordance with the laws for the time being in force in Hong Kong.
22. Any dispute of difference arising of or in connection with this Agreement shall be resolved by Mediation under the Rules of HKIAC first and if fail, shall be resolved by Arbitration under the relevant Law of HKSAR.
23. The Seller shall ensure that all supplied product are comply with HKSAR Energy Efficiency Regime. Chun Wo reserved the rights to reject any supply without reimbursement, which is found non-compliance to the HKSAR Energy Efficiency Regime.