

Terms & Conditions – Rental of Goods

FULL TERMS AND CONDITIONS APPLYING TO THE RENTAL OF GOODS

December 2013

1. DEFINITIONS

“Agreement” has the meaning specified in clause 2.1.

“Date Out” means the time and date on which the Equipment is rented as specified in the Rental Agreement.

“Owner” means CJD Rents Pty Ltd (ABN 65 165 488 808) t/as Volvo Rents (Volvo Rents) and includes its officers, employees, agents, successors and related parties.

“Owner’s Premises” means the premises of Volvo Rents from where the Equipment is rented or any other premises that may be notified to the Renter.

“Default” refers to default by the Renter which is deemed to exist where:

- a) the Renter makes default in payment of any charge or any other monies payable pursuant to this Agreement on its due date and such default continues for seven (7) days;
- b) the Renter fails to observe or perform any of the terms or conditions of this Agreement its part to be observed or performed;
- c) the Renter is subject to any winding up petition or order, appointment of receiver or administrator, official management, assignment, arrangement or composition for the benefit of creditors, an act of bankruptcy or any action taken or threatened to be taken to place the Renter in bankruptcy;
- d) Execution is levied or distress made against any of the property of the Renter.

“Equipment” means the equipment rented by the Owner to the Renter from time to time and includes any and all accessories, tools, attachments, parts, manuals, instructions, packing and transportable materials, substitute and replacement Equipment, unless indicated to the contrary in these Rental Terms.

“Freight Charges” means the charges made by the Owner in respect of the transportation of the Equipment to and from the Owners Premises and to and from the Renters Premises or work site agreed to by the Owner. “Government Charges” means all duties, taxes and fees payable in respect of this Agreement or the rental transaction the subject of this Agreement including (without limitation) goods and services tax, rental duty, stamp duty.

“Location” means the location of the Equipment as specified in the Rental Agreement or such other location as agreed by the Owner.

“Ordinary Wear and Tear” means only the normal deterioration of the Equipment caused by ordinary and reasonable use.

“Rental Agreement” means the document entitled Rental Agreement which forms part of this Agreement.

“Rental Charges” means the rental charges charged by the Owner to the Renter for the rent of the Equipment as identified in the invoice provided to the Renter by the Owner.

“Rental Period” means the period from the Date Out until the return of the Equipment to the Owner, or if the Owner agrees, collection by the Owner. “Renter” means the Renter identified in the Rental Agreement and includes the Renter’s employees, executors, administrators and representatives.

2. AGREEMENT

- 2.1 The Owner rents the Equipment to the Renter on the terms of the Rental Agreement and these Rental Terms and

Conditions (collectively, “the Agreement”). The Agreement constitutes the entire Agreement between the parties.

- 2.2 The Owner may amend or replace the Agreement (including Rental Charges) by written notice to the Renter. Any and all subsequent rental of Equipment will be on the amended or replaced terms.

3. RENTAL CHARGES AND OTHER CHARGES

- 3.1 Rental Charges will be incurred for the Rental Period or from the Date Out until the Rental Agreement is terminated in accordance with Clause 8, whichever is the earlier. Unless otherwise agreed, the Renter shall be charged for a whole day in respect of the date upon which the Equipment is returned.

- 3.2 Rental payments shall be payable monthly in advance. Where the Rental Period is not equal to a whole number of months, the Renter shall pay a pro rata Rental for that month based on the number of days in the calendar month.

- 3.3 The Renter shall be liable for the Rental Charges and the Government Charges and where applicable the Freight Charges. The Renter shall pay all charges on a strictly cash basis unless otherwise stated. If Goods and Services Tax is levied or imposed on or in respect of any supply made under this Agreement then the consideration for that supply is increased by the rate at which the Goods and Services Tax is levied or imposed.

- 3.4 The Rental Charges are based on the Renter using the Equipment for not more than the period of rental specified in the Rental Agreement. If the Equipment is used for more than the specified Rental Agreement then the Additional Charges referred to in Clause 13 shall apply. The Renter is not entitled to a credit or discount if the Equipment is not used for the minimum period of rental specified.

- 3.5 The Renter represents to the Owner that the Equipment will be used in normal use for the period specified in the Rental Agreement under “Rental Period”. The Renter shall not be entitled to any refund if the Equipment is on standby for any period during which it was intended that the Equipment would be in normal use.

- 3.6 The Renter must pay all amounts specified in the invoice including but not limited to:

- a) All Equipment operating costs (including fuels, oils and lubricants) incurred, and all consumables used during the Rental Period.
- b) any costs or expenses reasonably incurred by the Owner in enforcing the Agreement, as a result of the Renter’s breach of the Agreement or in order to return the Equipment to the same condition as at the Date Out (including cleaning cost).

- 3.7 Where any amount payable under the Agreement becomes overdue, all outstanding amounts whether due to the Owner under the terms of the Agreement or under any other Rental Agreement between the Owner and the Renter will become immediately due and payable by the Renter to the Owner.

- 3.8 The Owner may charge the Renter interest calculated on a daily basis and compounded monthly on overdue amounts from the due date to the date of actual receipt of payment at an interest rate which is 4% greater than the rate published by the Commonwealth Bank of Australia or its

- successor on commercial overdraft finance facilities in excess of \$100,000 as at the due date of payment.
- 3.9 The Renter must pay all amounts owing under the Agreement when due, free from all deductions and offsets.
- 3.10 The obligation of the Renter to pay all charges and otherwise perform its obligations pursuant to this Agreement shall continue notwithstanding any defect or breakdown of the Equipment.
- 4. RENTER OBLIGATIONS**
- 4.1 The Renter has no right, title, property or interest in the Equipment except as bailee and must not sublet, transfer, dispose of or otherwise deal with any rights of interest in the Equipment. The Renter must do everything necessary to protect the rights of the Owner in the Equipment.
- 4.2 Risk in the Equipment passes to the Renter on delivery of the Equipment and remains with the Renter until the Equipment is collected by or returned to the Owner. The Renter is liable to the Owner for any and all loss or damage to, or caused by, the Equipment or its operation and all costs incurred in respect of the Equipment including the cost of repairing or replacing the Equipment at the full new replacement cost, salvage costs and Rental Charges incurred while the Equipment is repaired or replaced.
- 4.3 The Renter must ensure that the Equipment is:
- a) Operated only by competent and properly trained and qualified employee(s) of the Renter, and where required by law, registered and licensed personnel and only by methods and standards of operations recommended, specified and approved by the manufacturer.
 - b) Not operated by any person under the influence of alcohol and/or drugs.
 - c) returned to the Owner in the same condition as the Date Out (except for Ordinary Wear and Tear) and returned with a full tank of fuel or the Renter will pay the Owner the cost of filling that tank. In particular the Renter is responsible for ensuring that the Equipment:
 - I. is in sound mechanical condition and in good working order in accordance with the manufacturer's specifications;
 - II. has no cracked or broken glass or mirrors;
 - III. has no missing sheet metal and no damage to sheet metal; and
 - IV. Has no structural damage to the frame.
 - d) Returned with all oil, hydraulic fluid and lubricant reservoirs full.
 - e) Used only for the general purpose for which it was designed, in suitable terrain and in a manner which has regard to the capacity, capabilities and limitations of the Equipment.
 - f) Not used or permitted to be used or operated in violation of the terms of this Agreement.
 - g) Not abandoned or removed from the Location without the Owners prior written consent.
 - h) At all times stored safely and protected from theft, loss or damage.
- 4.4 If the Equipment breaks down or becomes unsafe to operate, the Renter shall immediately stop using the Equipment, ensure it does not sustain any further damage and prevent the Equipment from causing injury, loss or damage to any person or property.
- 4.5 The Renter must not repair or attempt to repair the Equipment without the Owners prior written consent.
- 4.6 The Renter must promptly report any claim, accident, damage or loss in respect of the Equipment to the police and provide the Owner with written evidence verifying that report.
- 4.7 The Renter must immediately notify and provide full details to the Owner of any loss, theft, breakdown or damage to the Equipment. Subject to clause 9, the Owner will use reasonable

- endeavors to repair the Equipment at the Owners discretion and at the Renter's expense after receiving such notification. Any Equipment supplied as a replacement will be supplied for the unexpired balance of the Rental Period on the terms of the Agreement.
- 4.8 Any person provided by the Owner to operate the Equipment shall be under the sole discretion and control of the Renter. The Renter is responsible for any and all claims, loss or damage whatsoever arising in connection with the operation of the Equipment by that person. Where an operator is provided by the Owner, no other person shall operate the Equipment without the Owners prior written consent.
- 4.9 The Renter must
- a) ensure that all safety information supplied with the Equipment is attached to the Equipment and conveyed to any person using the Equipment;
 - b) maintain any safety signs supplied by the Owner and ensure they are clearly legible and brought to the attention of any person using the Equipment;
 - c) ensure that all safety and operating instructions and notices are observed and not defaced or removed from the Equipment;
 - d) ensure that any and all persons using the Equipment wear suitable clothing and any protection required or recommended by the Owner or the safety and operating instructions;
 - e) not alter, deface, erase or remove any identifying mark, plate or number on or in the Equipment or otherwise interfere with the Equipment;
 - f) Must not alter, affix or attach anything to the Equipment without the Owners prior written consent.
- 4.10 The Renter must clean, fuel, lubricate and maintain the Equipment in good condition and in accordance with the Owners instructions and the operator's manual.
- 4.11 The Renter must comply with all statutory laws and regulations and all common laws and must not permit the Equipment to be used for any illegal purpose or in any manner that would amount to a breach of any statute or any other law.
- 4.12 It is the Renter's responsibility to arrange a joint inspection at the end of the rental. It is the Renter's responsibility to inspect the Equipment at the commencement of the rental and to satisfy himself that the Equipment is in a clean and serviceable condition and if the Renter does not do so within twenty-four hours of delivery then the Renter may not do so at a later time.
- 5. CONDITION OF EQUIPMENT**
- 5.1 If the Renter retains the Equipment in the Renter's possession after delivery to the nominated place of delivery and does not forthwith give written notice to the Owner specifically setting forth details of any claim which the Renter may have against the Owner in respect of the condition, description or fitness for purpose of the Equipment so supplied such failure to give notice shall constitute an irrevocable acceptance of the Equipment by the Renter. In the event of any of the Equipment supplied by the Owner proving to be defective the Owners liability shall be limited to the replacement of the defective Equipment and the Owner shall not be liable for any other damages or any other consequential damages whatsoever. Under no circumstances shall the Owner be obliged to accept return of any Equipment supplied hereunder or to give credit for the Rental Charges or fees in respect thereof.
- 5.2 The Renter shall be responsible for rectifying any failures in the Equipment that are wholly or partly attributable to the:
- a) use of the Equipment by the Renter in adverse or unusual circumstances or conditions; or
 - b) failure to conduct servicing or oil sampling where this is the Renter's responsibility; or
 - c) failure to operate the Equipment in accordance with the manufacturer's recommendations; or

- d) misuse or abuse of the Equipment; or
- e) Any other default.

Any costs incurred by the Renter in rectifying any such failures shall be for the Renters account. The Owner shall have no liability to the Renter or any other person in respect of any such failure.

- 5.3 The Owner shall be responsible for rectifying any major power train failures in the Equipment including engine, torque converter, transmission, final drives and differential that are not caused by the circumstances set out in clause 5.2.
6. **ACCESS AND INSPECTION**
The Owner by its servants or agents may at any reasonable time enter the Renter's premises and the Renter hereby authorises the Owner by its servants or agents to so enter for the purpose of inspecting the Equipment or to repossess the Equipment. The Renter must assist the Owner and its servants or agents in exercising its rights under this clause.
7. **PRIVACY**
In carrying on its business, the Owner collects personal information about its customers. This personal information may include a customer's name, street and postal address, telephone and fax numbers and bank account details. The Owner respects the privacy of its customers and is committed to protecting their personal information. The Owner collects personal information in order to provide and market its services to its customers. The Renter agrees that personal information collected by the Owner may be disclosed to other entities in the CJD Equipment group and to Volvo International. The Renter has the right to access personal information collected about it. The Renter may request the Owner to access or change any personal information held about the Renter. The Renter agrees that the Owner may obtain, disclose and use information about the Renter's credit worthiness or for the purpose of obtaining and maintaining a credit information file about the Renter or collecting overdue payments.
8. **TERMINATION**
- 8.1 The Rental Agreement will terminate when the Renter delivers the Equipment to the Owner during normal working hours at the expiry of the Rental Agreement.
- 8.2 Upon termination of the Rental Agreement the Owner shall be entitled at the expense of the Renter to take possession of the Equipment without notice for which purpose the Renter hereby authorizes the Owners servants and agents to enter upon any land or premises of the Renter or under his control upon which the Equipment is situated at the time of the termination to search such premises and to remove the Equipment therefrom and the Renter indemnifies the Owner in respect of any actions or liabilities incurred by the Owner in the course of repossessing the Equipment.
- 8.3 The Owner may terminate this Agreement and repossess the Equipment at any time by written notice to the Renter in case of Default.
- 8.4 If the Renter fails to return the Equipment when required by this Agreement or within 24 hours of oral or written demand to the Renter, the Renter will be deemed to be in unlawful possession of the Equipment without the Owner's consent.
- 8.5 The Renter must provide 30 days' notice in writing of any defects which may give rise to the Renters intention to terminate the Rental Agreement. The Owner shall be provided with a 30 day period in which to rectify any defects which may give the Renter cause to terminate the Rental Agreement.
9. **LIABILITY AND INDEMNITY**
- 9.1 The Owner gives no express warranty in relation to the Equipment.
- 9.2 As far as the law permits, all warranties, conditions, rights and remedies the Renter would otherwise be entitled to by law are expressly excluded.

- 9.3 The liability of the Owner, to the extent it cannot be excluded by law, is limited to replacement, re-supply or repair of the Equipment. In no event shall the Renter be entitled to claim any damages or any consequential damages for defective equipment, late collection or delivery or non-collection or non-delivery and in no instance shall damages include profit on contemplated use of the Equipment or profit of any description.
- 9.4 The Owner is not liable to the Renter for any indirect, special, incidental or consequential damages relating to this Agreement.
- 9.5 The Renter indemnifies the Owner against any liability, loss, damage, costs or expenses incurred or suffered by the Owner arising directly or indirectly out of or in connection with:
- a) any breach of the Agreement, any breach of any laws (including environmental laws) or any act or omission on the part of the Renter;
 - b) any action for trespass resulting from the Owner entering the Location in accordance with clause 8.2;
 - c) The rental, delivery, possession, operation, use, maintenance, handling, and transportation of the Equipment by the Renter during the Rental Period including acts of repossession by the Owner.
- 9.6 These limitations and indemnities continue after the Agreement expires or terminates.
10. **CLAIMS AND PROCEEDINGS**
Where use of Equipment by the Renter results in any claim, accident, damage or loss, the Renter:
- 10.1 will immediately report such incident to the police station nearest to the scene of the incident and in writing to the Owner within 24 hours;
- 10.2 will not, without the Owners written consent, make or give any offer, promise of payment, settlement, waiver, release, indemnity or admission of liability;
- 10.3 agrees the Owner or its insurer may at its own cost bring, defend, enforce, or settle any legal proceedings against third parties;
- 10.4 will immediately complete and return the Owners accident report and furnish to the Owner within 48 hours any statements, information or assistance which the Owner or its insurer may reasonably require, including attending at lawyer's offices and at court to give evidence.
11. **RECOVERY**
- 11.1 Renter agrees to pay the Owner on demand after due allowance for any prepayments, all charges payable under or in connection with this Agreement, including but not limited to:
- a) the Rental Charge for the Equipment during the Rental Period and any other applicable fees or charges;
 - b) all monies payable by the Owner or Renter arising out of the use of the Equipment by the Renter or imposed on the Owner or Renter by any governmental or other competent authority (including but not limited to tolls, road user charges and traffic infringements, or other fines or penalties incurred in relation to the Equipment during the Rental Period) together with any related legal or court costs incurred by the Owner;
 - c) All monies for which Renter is liable to the Owner under this Agreement in respect of damage, loss or otherwise.
- 11.2 For repayments and amounts payable hereunder Renter appoints the Owner its agent to recover amounts payable under Renter's insurance, including the excess and amount payable under clause 3 relating to the Equipment and authorises the Owner to charge the Renter's charge card or account for all charges payable under this Agreement and Renter's signature will be considered to have been made on the applicable charge card voucher (this includes any costs

incurred by the Owner as a result of any breach by the Renter of the terms of the Agreement).

- 11.3 The Renter remains primarily responsible for all payments and charges payable under this Agreement and if the Renter has directed billings for such payments and charges to be transferred to another person, firm or corporation, which upon so being billed has failed to make payment within 10 days, then Renter shall upon demand promptly pay such payments and charges to the Owner.

12. MISCELLANEOUS

- 12.1 The expiry or termination of the Agreement does not affect the rights which have accrued before that expiry or termination or any rights and obligations of the parties which survive expiry or termination.
- 12.2 Time is of the essence of all obligations of the Renter under this agreement.
- 12.3 The Owner may assign or subcontract all or any of its rights under the Agreement. The Renter must not assign or subcontract all or any of its right under the Agreement.
- 12.4 Any notice or demand to be given pursuant to this Agreement shall be deemed to be duly given or made if it is in writing and in the case of the Renter sent by facsimile to that facsimile number shown in the Rental Agreement or to his place of abode or business last known to the officer sending such notice or demand or at the registered office of the Renter being a company and in the case of the Owner if it is in writing and sent by facsimile number shown in the Rental Agreement or left at or sent by prepaid post to the Owner at the Owners registered office. Any notice or demand sent by post shall be deemed to have been received by the party to whom it is addressed on the day which in the normal course of post it would have been delivered.
- 12.5 The covenants and agreements expressed or implied in this Agreement shall comprise the entire agreement between the parties and the parties agree that no other covenants, warranties, or agreements in respect of the Equipment or otherwise shall apply to this transaction by reason of any promise, oral statement, representation, warranty, covenant, or undertaking given or made by the Owner or his agents or employees on or prior to this Agreement becoming enforceable by any party.
- 12.6 The Owner by this form also gives notice that the terms and conditions herein contained constitute the Owners standard conditions of rental and are intended to apply to and are implied in any acceptance by it at any time in the future of any offer to rent Equipment from the Owner unless alternative terms have been notified in accordance with Clause 2.
- 12.7 If the Owner is unable to supply or continue to supply the Equipment specified in the Rental Agreement due to any causes beyond its control such as (without limiting the generality of the foregoing) any act of negligence of the carrier or any other person including subcontractors, manufacturers and suppliers of the Owner, acts of God, strikes, lock-outs, bans or other industrial disturbances, fire explosion, civil riot or commotion of laws, rules, regulations or orders, ordinances or requirements of any authority, municipality or other body or nuclear holocaust or articles dropped from aircraft, the Owners obligations and liabilities hereunder to the Renter shall be suspended to the extent necessary and at the option of the Owner, exercised in writing, may be terminated if the Owner considers that the cause shall continue to exist beyond a reasonable period of time.
- 12.8 Where the Renter is more than one person, liability is joint and several.
- 12.9 The Agreement is governed by the laws of the State or Territory of Australia in which it is signed.

13. ADDITIONAL RENTAL CHARGES

- 13.1 When the equipment is returned to the Owner, excess rate will be charged at the Excess Rate shown in the Rental Agreement if indicated as Excess Rate. The Excess Rate is payable if the maximum hours specified in the Normal Rate is exceeded. Excess Rate is payable in respect of excess only.
- 13.2 Ordinary Wear and Tear of tyres and tracks is to the Owners account. Tyre and track wear or damage caused where tyres or tracks are being used in conditions which the Owner considers adverse or abnormal or which is otherwise not Ordinary Wear and Tear is to the Renter's account. Recommended manufacturer's tyre pressure and track tension must be adhered to at all times by the Renter.
- 13.3 All buckets, blades, cutting edges, bucket teeth, hardware, ripper teeth and all other ground engaging tools are to be to the Renter's account during the rental period, and are to be returned from rental with the same remaining life as at the commencement of the rental period.
- 13.4 All consumable items including fuels, oils, & other consumable items are to the Renters account.

14. RENTER MAINTENANCE AND SERVICING OBLIGATIONS

- 14.1 The Renter shall at his own expense service, clean and maintain the Equipment in good and substantial repair and condition, reasonable wear and tear excepted and return the Equipment to the Owners premises upon the expiration of the Rental Period in as good condition as when received by the Renter, Ordinary Wear and Tear excepted. This obligation applies irrespective of any insurance held by the Owner.
- 14.2 All preventative maintenance servicing (major & minor) and minor running repairs including electrical, hydraulic hoses and oil leaks are the responsibility of the Owner unless otherwise stated in the Rental Agreement and will be carried out as per manufacturer's specifications except for any repairs required to be undertaken that result from the circumstances set out in clause 5.2.
- 14.3 Manufacturer's oil sampling analysis is to be completed by the Renter as per the Manufacturer's Operation and Maintenance Guide on all compartments if the Renter is responsible for preventative maintenance servicing. In the event that this is not completed, the Owner will carry out to the Renter's account.
- 14.4 The Renter shall maintain complete and accurate service records for the Equipment and provide the service records to the Owner on return of the Equipment.

15. MEASUREMENT OF HOURS

- 15.1 The Equipment's hour meter will be the basis for calculating the rent payable where the amount payable is dependent on or to be calculated on Equipment hours. The Renter must ensure that the hour meter is operating and appears to be functioning correctly. The hour meter must not be tampered with in any way.
- 15.2 The Renter is responsible for taking hour meter readings at the intervals as requested by the Owner and for forwarding the readings to the Owner. If the readings are not received on the due date, invoices by the Owner will be based on an assumed usage.
- 15.3 The Renter shall immediately notify the Owner of any fault in the machine hour meter and maintain a manual log of the machine hours until such time as the service meter is operating properly again.

16. INSURANCE

- The Renter must at its cost take out and maintain during the term of the Agreement policies of insurance, which include the Owner as an interested party, for:
- indemnity cover of not less than the full new replacement cost of the Equipment, and
 - third party and public liability indemnity cover of not less than \$10 million

And provide to Owner a copy of the certificate of currency in respect of such insurance, on request.

17. LOSS THEFT DAMAGE WAIVER

- 17.1 Loss Theft Damage Waiver ('LTD Waiver') is not insurance, but is an agreement by Us to limit Your liability in certain circumstances for loss, theft or damage to Our Equipment to an amount called the LTD Waiver Excess. The LTD Waiver Excess is explained below.
- 17.2 An LTD Waiver Fee will be automatically charged to You in addition to Your hire charges and is set out in Your Hire Schedule.
- 17.3 You are not required to pay the LTD Waiver Fee if You produce a certificate of currency for an appropriate policy of insurance that covers loss, theft or damage to the Equipment during the Hire Period for an amount not less than the full new replacement value of the Equipment.
- 17.4 Where You have paid the LTD Waiver Fee, We will waive Our right to claim against You for loss, theft or damage to the Equipment if:
- You have promptly reported the incident to the police and provided Us with a written police report;
 - You have co-operated with Us and provided Us with the details of the incident, including any written or photographic evidence We require;
 - the loss, theft or damage does not fall into one or more of the circumstances set out in clause 17.6; and
 - You have paid Us the LTD Waiver Excess.
- 17.1 The LTD Waiver Excess for each item of Equipment is the amount equal to:
- \$500.00 or (if the replacement cost of the Equipment is less than \$500.00) the replacement cost of the Equipment; OR
 - 15% of the cost of the repairs (if the Equipment is partially damaged and can be repaired) OR 15% of the full new replacement cost of the Equipment (if the Equipment is lost, stolen or damaged beyond repair), Whichever is greater.
- 17.6 Even if You have paid the LTD Waiver Fee, We will not waive Our rights to claim against You for loss, theft or damage to the Equipment and LTD Waiver will not apply if the loss, theft or damage:
- has arisen as a result of Your breach of a clause of this Hire Agreement;
 - has been caused by Your negligent act or omission;
 - has arisen as a result of Your use of the Equipment in violation of any laws;
 - has been caused by the misappropriation or wrongful conversion by You or your employees or agents;
 - has occurred while the plant is in the possession any person other than the authorised Renter;
 - has been caused by Your failure to use the Equipment for its intended purpose or in accordance with Our instructions or the Manufacturer's instructions;
 - occurs to the Equipment whilst it is located, used, loaded, unloaded, transported on, over or adjoining water, wharves, bridges or vessels of any kind;
 - has been caused by a lack of lubrication or a failure to properly service or maintain of Equipment;
 - has been caused by collision with a bridge, carpark, awning, gutter, tree or any other overhead structure or object due to insufficient clearance;
 - has been caused by the overloading of the Equipment or any components thereof;
 - is to motors or other electrical Equipment or components within the Equipment caused by electrical overload, a surge in electrical current or the use of under-rated or excessive lengths of extension leads with the electrical Equipment;

- Is caused by exposure to any corrosive or caustic substance, such as cyanide, salt water, acid, etc.;
- Is caused by vandalism;
- Is to tyres or tubes; OR
- Is to glass.

18. PERSONAL PROPERTIES SECURITIES ACT 2009 (CTH) (PPSA) PROVISIONS

- 18.1 The Renter acknowledges that this Rental Agreement creates a Security Interest in the Equipment and is granted by the Renter to secure the payment of all amounts owing including but not limited to the Rental Payments by the Renter under the terms of this Rental Agreement and the performance of all other obligations under this Rental Agreement.
- 18.2 The Renter agrees that the Security Interest created by this Rental Agreement attaches or otherwise takes effect immediately upon the Renter obtaining possession of the Equipment. The Security Interest created by this Rental Agreement extends not only to the Equipment but also to all and any proceeds arising from any dealings with the Equipment.
- 18.3 The Renter agrees to do all things (including executing and delivering all documents) which the Owner requires at any time to:
- ensure that this agreement creates a first-ranking perfected security interest for the purposes of the PPSA;
 - ensure that this agreement is perfected by control to the extent possible under the PPSA; and
 - Otherwise protect, preserve and give full effect to the Owners powers under, and for all purposes of, the PPSA.
- 18.4 The Renter must not give another person an interest in, or any form of Security Interest over, any lease agreement or hiring agreement or the Equipment, or authorise anyone else to do so, without the Owner's consent.
- 18.5 Renter must indemnify the Owner against any costs (reasonably incurred) in connection with any action required to be taken by the Owner under or in relation to the PPSA, including any registration, or any response to an amendment notice or demand under sections 178-182 of the PPSA or any demand or request under section 275 of the PPSA.
- 18.6 Without affecting the Renter's obligations under this Rental Agreement, if, in the opinion of the Owner a PPS Law applies, or will in the future apply to this Rental Agreement or any of the transactions provided for or contemplated by it and that PPS Law:
- adversely affects or would adversely affect the Owner's security position or the Owner's rights or obligations under or in connection with this Rental Agreement ("Adverse Affectation"); or
 - enables or would enable the Owner's security position to be improved without adversely affecting the Renter in a material respect ("Improvement"), the Owner may by notice to the Renter require the Renter to reasonably do anything (including assist with amending this Rental Agreement or executing any new document) that in the Owner's opinion is necessary or desirable to ensure that, to the maximum possible extent, the Owner's security position, and the Owner's rights and obligations, are not subject to an Adverse Affectation or are improved by an Improvement. The Renter must, acting reasonably, comply with the requirements of that notice within the time stipulated in the notice.
- 18.7 The Renter agrees that the Renter will only authorise the disclosure of information under section 275(7)(c) or request information under section 275(7)(d), if the Owner approves. Nothing in this provision will prevent any disclosure by the

Owner that it believes is necessary to comply with its other obligations under the PPSA.

- 18.8 The Renter acknowledge that the Owner may register one or more financing statements in relation to its Security Interests under this Rental Agreement and that each such financing statement may be registered at any time.
- 18.9 To the extent permitted by law, if the PPSA applies, the Consignee irrevocably waives any rights it may have to:
- a) Receive notices or statements under sections 95, 121(4), 125, 130, 132(3)(d), 132(4) and 135 of the PPSA;
 - b) Redeem the goods under section 142 of the PPSA;
 - c) Reinstate the agreement under section 143 of the PPSA;
 - d) Receive a verification statement as defined in the PPSA.
- 18.10 In this Rental Agreement, the following terms have the meanings given to them in the PPSA:
- a) amendment demand;
 - b) financing change statement;
 - c) financing statement;
 - d) personal property;
 - e) proceeds
 - f) registration;
 - g) serial number;
 - h) Verification statement.

19. OFFER TO SELL

- 19.1 This Rental Agreement is not an offer by the Owner to sell the Equipment to the Renter and the Renter has no obligation to purchase the Equipment from the Owner.

- 19.2 The Renter may make an offer to purchase in writing to the Owner at any time during the Rental Agreement period.
- 19.3 If the Owner accepts an offer to purchase the Renter must pay the agreed purchase price and all other moneys then payable under this Rental Agreement.
- 19.4 On payment of the moneys due under clause 19.3 title to the Equipment will pass to the Renter and this Rental Agreement will be at an end.