

## Hako Machines Limited Terms of Hire

### Contract Structure and Acceptance

1. These terms, together with the details on the preceding pages (the **Contract Details**), form a contract between you and us which becomes binding as set out in clauses 3 and 4 below. No other terms will apply to this contract unless expressly agreed in writing and signed by one of our authorised representatives.
2. Each set of Contract Details represents a separate contract, with its own duration (and Minimum Hire Period). Termination or amendment of any one of those separate contracts will not affect any of the others unless expressly stated or agreed.
3. The contract becomes binding whenever one of the following things happen, whichever happens first:
  - 3.1 your indication of acceptance, whether by email, signature, purchase order or any other means, of these terms or a quote that refers to these terms;
  - 3.2 your acceptance of any Equipment; or
  - 3.3 your payment of any Charges in respect of the Equipment.
4. Any purchase order, order confirmation or other form of acceptance by you which tries to amend or replace these terms:
  - 4.1 will be valid acceptance of these terms and the Contract Details; but
  - 4.2 will not otherwise have the effect of in any way amending or replacing the contract.

### Definitions

5. In this contract, certain words and phrases start with upper-case letters or have a special meaning. The following meanings apply to those words and phrases:

<b>Charges</b>	means the amounts that we are entitled to charge you in respect of your hire of the Equipment, in accordance with clauses 20 to 28.
<b>Charging Period</b>	means the period between invoices for Equipment hire, as set out in the Contract Details (or, if not specified in the Contract Details, means a week).
<b>Contract Details</b>	means the various details set out on the pages preceding these terms, or otherwise set out on a document which refers to these terms and is headed "Contract Details".
<b>Equipment</b>	means any asset that we make available to you under this contract at any time, whether or not listed in the Contract Details. For any items listed under "Consumables" in the Contract Details, only the items provided at the Hire Start Date are included within the definition of "Equipment"; it is your responsibility to replace any such items, at your own cost, when needed.
<b>Equipment Acceptance Form</b>	means any form or other document (including other supporting materials, for example a video of the Equipment's condition) we may use from time to time to indicate that you have taken delivery of the Equipment and, where relevant, to note any observations about the condition of the Equipment at the time of delivery, as signed or otherwise accepted by you (or on your behalf).
<b>Hire Period</b>	means, in respect of each item of Equipment, the period starting on the Hire

	Start Date and ending on the day this contract is terminated.
<b>Hire Start Date</b>	means the date stated under “Hire Start Date” in the Contract Details.
<b>Hire Start Time</b>	means the estimated time stated under “Hire Start Time” in the Contract Details.
<b>Insolvency Event</b>	means, in respect of a party, that it: <ul style="list-style-type: none"><li>(a) suspends, or threatens to suspend, payment of its debts;</li><li>(b) is unable to pay its debts as they fall due or admits inability to pay its debts;</li><li>(c) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 (<b>IA 1986</b>) as if the words "it is proved to the satisfaction of the court" did not appear in sections 123(1)(e) or 123(2) of the IA 1986;</li><li>(d) commences negotiations with all or any class of its creditors with a view to rescheduling any of its debts, or makes a proposal for or enters into any compromise or arrangement with any of its creditors, other than for the sole purpose of a scheme for a solvent amalgamation with one or more other companies or for a solvent reconstruction;</li><li>(e) is the subject of a petition filed, a notice given, a resolution passed, or an order made, for or in connection with its winding-up;</li><li>(f) it is the subject of an application made to court, or an order made, for the appointment of an administrator, or a notice of intention to appoint an administrator</li><li>(g) has an administrator is appointed over it;</li><li>(h) is the subject of the holder of a qualifying floating charge over its assets having become entitled to appoint or having appointed an administrative receiver;</li><li>(i) is the subject of a person having become entitled to appoint a receiver over all or any of its assets or a receiver having been appointed over all or any of its assets;</li><li>(j) is the subject of a creditor or encumbrancer attaching or taking possession of (or a distress, execution, sequestration or other such process being levied or enforced on or sued against) the whole or any part of its assets and such attachment or process is not discharged within 14 days;</li><li>(k) is the subject of any event which occurs, or proceeding taken, in any jurisdiction that has an effect equivalent or similar to any of the events mentioned in (a) to (j) above; or</li><li>(l) suspends or ceases, or threatens to suspend or cease, carrying on all or a substantial part of its business.</li></ul>
<b>Minimum Hire Period</b>	means the period (starting on the Hire Start Date) stated under “Minimum Hire Period” in the Contract Details, or, if no such period is stated, means 6

months.

**Site** means the location described as the Site in the Contract Details.

**we, us, our** or related words refer to Hako Machines Limited.

**Working Hours** means 08.00-17.00, Monday to Friday, excluding bank holidays and other statutory holidays.

**you, your** or related words refer to the company (or other entity) hiring the Equipment under these terms (as named in the Contract Details).

6. Any words following “including”, “includes”, “for example”, “in particular” or any similar expression are illustrative only and do not change the sense of the wider clause they are used in.

### **Hire of the Equipment**

7. In return for you paying the Charges, we will hire the Equipment to you for the duration of the Hire Period.
8. You are only renting the Equipment and will not become the owner of any of the Equipment at any time. You will not have any rights over or in respect of any of the Equipment except as expressly set out in this contract. This clause 8 will survive any termination of this contract.
9. You must not do any of the following things (or allow them to be done):
- 9.1 label or in any other way mark any of the Equipment with your name or details, or otherwise indicate that any of the Equipment belongs to you;
  - 9.2 remove or deface any existing identification marks or numbers on any of the Equipment;
  - 9.3 grant anyone else a charge or allow anyone else to gain any other rights over any of the Equipment;
  - 9.4 use any of the Equipment to raise money or guarantee any of your obligations;
  - 9.5 claim any capital allowances on the Equipment;
  - 9.6 lend or give any of the Equipment to anyone else;
  - 9.7 allow anyone else to take (or take control of) any of the Equipment to settle your debts;
  - 9.8 re-site or move any of the Equipment away from the Site (but this does not prevent you from using the Equipment away from the Site as part of your ordinary use, provided the Equipment is returned to the Site after each use);
  - 9.9 modify any of the Equipment in any way; or
  - 9.10 any other thing which is inconsistent with the fact that you do not own the Equipment.

### **Duration**

10. You agree to rent the Equipment for at least the Minimum Hire Period. If, before the end of the Minimum Hire Period, you return the Equipment or this contract is terminated for any reason other than our default, you must pay the Charges for the rest of the Minimum Hire Period.
11. After the Minimum Hire Period this contract will continue until terminated under clause 12 below or any other term of this contract.
12. You or we may terminate this contract under this clause by writing to each other specifying a termination date. That termination date must be at least one month after the date the written termination notice is sent. If a termination notice is sent under this clause during the Minimum Hire Period, the earliest it can take effect is the end of the Minimum Hire Period.

## **Our Equipment Obligations**

13. We are responsible for delivering the Equipment to the Site on the Hire Start Date. We will endeavour to (but cannot guarantee that we will) deliver the Equipment at the Hire Start Time. We will endeavour to (but cannot guarantee that we will) arrange for an engineer to attend the Site at or within 24 hours of delivery, to introduce themselves, brief your people as needed and complete an Equipment Acceptance Form.
14. On or following termination of this contract, we will collect the Equipment from the Site in accordance with clause 44.
15. We will, at your request, visit the Site during Working Hours to survey damage and / or carry out repairs, as soon as reasonably possible after receiving your request. Repairs will be classified as “required” or “advised” (or similar terms), based on whether or not they are needed for the safe continued operation of the Equipment. You must agree to any repairs classed as “required”. Unless repairs are due to an inherent fault in the Equipment, you will have to pay additional Charges for this repair work, including labour, parts and any consumables or other materials. Those additional Charges will be at the rates or in the amounts indicated to you at the time of your request or, if relevant, by our repair personnel before undertaking the relevant work.
16. Subject to availability of our suitable personnel and agreement of any additional Charges that apply, we will, at your request, provide training on the use and / or care of the Equipment.

## **Your Equipment Obligations**

17. You are responsible for accepting delivery of the Equipment at the Site on the Hire Start Date. If you fail to do this:
  - 17.1 you will still be liable for the Charges covering the attempted delivery;
  - 17.2 the Charges will be increased to cover our costs of any subsequent deliveries or delivery attempts; and
  - 17.3 the Hire Period will still start on the Hire Start Date.
18. You will take all due care of the Equipment throughout the period it is in your possession (including any period between termination of this contract and our collection of the Equipment). In particular, you will:
  - 18.1 keep the equipment in good condition, allowing for fair wear and tear (and, for these purposes, what counts as “good condition” will, where relevant, be defined by reference to the condition of the Equipment (including any identified flaws or defects) detailed in any Equipment Acceptance Form);
  - 18.2 comply at all times with the manufacturers’ instructions and any training or training materials provided by us relating to the use of the Equipment;
  - 18.3 carry out, at your own expense, daily safety checks and maintenance according to the instruction manual supplied and any training or training materials provided by us;
  - 18.4 notify us immediately of any defect in the Equipment;
  - 18.5 only use manufacturer-approved consumables and accessories for the Equipment;
  - 18.6 not allow anyone to smoke while using the Equipment;
  - 18.7 comply with all health and safety regulations and all other laws and regulations applicable to the use of the Equipment;
  - 18.8 ensure that all personnel (other than our personnel) using or caring for the Equipment are issued with proper directions regarding use and care of the Equipment;
  - 18.9 only use the Equipment for the purpose for which the Equipment was manufactured, in a careful manner and in accordance with any agreed usage pattern and operating conditions;
  - 18.10 always use a fully trained and, where relevant, qualified and licensed operator capable of operating the equipment in a safe and proper manner;

- 18.11 not allow any unauthorised persons to use, clean, maintain or otherwise deal with the Equipment;
  - 18.12 not allow the use of the Equipment for any illegal or immoral purpose; and
  - 18.13 if requested by us, attach to each item of Equipment a plate, plaque or other label, in each case as approved by us, noting our ownership of or interest in the Equipment in question.
19. We, or people appointed by us, may, during business hours, enter the Site or other premises controlled by you to inspect the Equipment and check your compliance with clause 18 above. You now grant us the necessary access rights to give effect to this clause and will comply with our reasonable requests for further information. When exercising this right we must act reasonably and keep any disruption to your business and operations to a reasonable minimum.

## **Payment**

20. You must pay us the Charges as set out in more detail below.
21. Unless it says something different below, your payment must reach the account specified on our invoice to you, in cleared funds and in the currency stated on the invoice, within the number of days after the invoice date that is stated in the “Payment Terms” field of the Contract Details (so, for example, if the “Payment Terms” states “14 days”, your payment must reach us within 14 days of the invoice date).
22. On or before the Hire Start Date we will invoice you for (and you must pay) Charges covering:
- 22.1 delivery and collection of the Equipment to and from the Site at the start and end of the Hire Period, in the amount set out under “Total Transport Charge” in the Contract Details; and
  - 22.2 Equipment hire for the first Charging Period, at the rate set out under “Hire Rate” in the Contract Details.
23. We will invoice you for (and you must pay) Charges covering Equipment hire at the start of each subsequent Charging Period, throughout the Hire Period, at the rate set out under “Hire Rate” in the Contract Details.
24. We will invoice you for (and you must pay) Charges covering any use of the Equipment above the weekly “Hours Usage” figure in the Contract Details, based on the number of hours of excess use and the “Excess Hour Charge” set out in the Contract Details. These invoices will be issued at the end of each year of the Hire Period (if that lasts for longer than a year) and at the end the Hire Period.
25. We will invoice you for (and you must pay) Charges covering:
- 25.1 any repair work (including labour, parts and any consumables or other materials) that we do for you under clause 15, at the time that work is done (which may not be at the same time as the regular invoices for Equipment hire under clause 23 above); and
  - 25.2 any other parts, consumables or materials that you order from us, at the time of that order (which, again, may not be at the same time as the regular invoices for Equipment hire under clause 23 above).

You must pay invoices under this clause 25 within 14 days of the date of invoice.

26. If, as the owner of the Equipment, we incur any fines, tolls or other charges arising from your use of any of the Equipment, we will invoice you for these amounts and you must pay those invoices within 5 days of the date of invoice.
27. We will also invoice you for Charges covering any attempted delivery (as described in clause 17.1) and any additional amounts described in clauses 10, 45 and 47.2. You must pay these invoices within 5 days of the invoice date.
28. After the Minimum Hire Period, we may increase the Charges for Equipment hire to reflect any increases to our general list prices for hire of the Equipment in question, by giving you at least six weeks’ advance notice. We may not do this more than once per year of the Hire Period. Any such increased amount will change the amount stated under “Hire Rate” in the Contract Details.

29. If, in good faith, you dispute any invoice, you must tell us about that (giving reasons for your dispute and enough information to enable us to properly consider it) before the due date for payment of the relevant sums. You must still pay any undisputed amount on or before the due date.
30. If you fail to pay any sum on time, we have the right to charge daily interest on that sum at the annual rate of 5% above the Santander base rate from time to time. Interest will be charged from the payment due date until actual payment. Such interest charged will be subject to a minimum charge of £25.00, reflecting our additional administrative costs associated with dealing with late payments. This clause will apply both before and after any court judgement we may obtain against you and will survive and apply after termination.

## **Liability**

31. Nothing in this contract limits or excludes any liability (yours or ours) for death or personal injury caused by negligence or any other liability that the law does not allow to be limited or excluded.
32. It is your responsibility to choose the right Equipment for your needs. We do not offer you any assurance that the Equipment will be suitable for any specific purpose, and any information given by us or our representatives, including information in brochures or on websites, is only for guidance.
33. We give no warranties and offer no terms that are not expressly set out in this contract.
34. We have no liability to you under or in relation to this contract for any loss of profit, loss of opportunity, loss of goodwill, reputation damage, or any other indirect loss.
35. Our liability to you under or in relation to this contract is limited to the total amount paid or payable by you under this contract (assuming it lasts for at least the Minimum Hire Period).
36. You are liable to us for any and all loss of or damage to the Equipment during the Hire Period, however that is caused (unless caused by our negligence).
37. You indemnify us on demand for all costs, claims, losses, damages, charges, penalties and expenses (including our reasonable legal expenses) arising from:
  - 37.1 any third party claim, demand or other action relating to your use of the Equipment; and
  - 37.2 any breach by you of clause 18 or clause 44.
38. Where we become aware that we have a claim against you under clause 37 above, we will:
  - 38.1 promptly tell you;
  - 38.2 not admit any liability to a third party without your consent; and
  - 38.3 at your request, allow you or advisers appointed by you to conduct the defence of any third party claim, demand or other action.
39. You must, throughout the duration of this contract, maintain fully comprehensive insurance with insurers of good repute, and with the minimum voluntary excess, covering as a minimum:
  - 39.1 loss of or damage to the Equipment (under clause 36 or otherwise), up to the amount stated under "Insurance Value" in the Contract Details or, if no amount is stated, the full new replacement value of the Equipment;
  - 39.2 liability to third parties arising from your use of the Equipment, to a cover level that is consistent with your and our combined exposure to such liability; and
  - 39.3 your liabilities to us under clause 37 above.
40. You must not do (or omit to do) anything that voids or renders ineffective any insurance policy taken out under clause 39 and must, on request, provide us with reasonable evidence that such insurance is in place.

## **Termination**

41. You or we may terminate this contract without reason after the Minimum Hire Period, in accordance with clause 12.
42. We may terminate this contract immediately by writing to you if any of the following things happen:
  - 42.1 you commit a material breach of any term of this contract and, if the breach can be remedied, fail to remedy it within 7 days (or such other reasonable period as we may specify) of us telling you to;
  - 42.2 you commit any breach of clause 9; or
  - 42.3 you fail to pay any overdue sum due under this contract 14 days after us notifying you that it is overdue.
43. This contract will automatically terminate if you are the subject of an Insolvency Event. You must immediately tell us if you are the subject of an Insolvency Event.
44. On termination of this contract for any reason we (or others acting on our behalf) will immediately be entitled to enter any premises where any item of Equipment is located in order to recover the Equipment. Unless, in our reasonable opinion, doing so would threaten our ability to recover all Equipment without delay, we will comply with clause 45 below when recovering our Equipment.
45. When any termination is served under clause 12 or this contract terminates for any other reason, we will try to agree with you (both you and us acting reasonably) a mutually convenient day and estimated time for collection of the Equipment from the Site. If we agree a collection date with you but you then fail to make all of the Equipment available for collection at the Site on that date, we will be entitled to charge you for the attempted collection.
46. Following termination of this contract for any reason, you must, until we have collected the Equipment from you:
  - 46.1 continue to comply with clause 9;
  - 46.2 stop using the Equipment, but otherwise continue to comply with clause 18; and
  - 46.3 continue to insure the Equipment in accordance with clause 39.1.This clause 46 will survive any termination of this contract.
47. On termination of this contract for any reason:
  - 47.1 any sums that have already been invoiced but not yet paid will become immediately due for payment; and
  - 47.2 without affecting any other right or remedy we may have, we will be entitled to charge you an amount which reflects our reasonable costs of replacing or repairing any Equipment that is not returned to us:
    - (a) in good condition, in accordance with clause 18.1; or
    - (b) at all.This clause 47 will survive any termination of this contract.
48. When collecting the Equipment, we may use a document or video (or both) to capture details of:
  - 48.1 any excess use giving rise to Charges under clause 24; and
  - 48.2 the condition of the Equipment at the point of collection.If you or anyone responsible for overseeing on your behalf our collection of the Equipment signs or otherwise endorses that document or video, it will be binding on you.
49. Any term of this contract that expressly or by necessary implication is intended to survive termination will continue to apply after termination for as long as is necessary to give effect to it.

## **General**

50. You confirm that any information provided by you to populate the Contract Details is accurate and complete.
51. Any change to this contract must be in writing and expressly agreed to by both parties.

52. You must not assign or otherwise transfer or attempt to transfer this contract without our prior written consent.
53. Any formal notice under this contract must be in writing and sent by recorded delivery. Notices to us should be marked for the attention of the Finance Controller.
54. If any part of this contract is found to be invalid or unenforceable, that will not affect any other part of this contract, which will, to the full extent possible, continue to apply and be enforceable.
55. English law applies to this contract, its subject matter and formation, and the English Courts have exclusive jurisdiction over any disputes arising about those things.