

# Terms and Conditions

## CHAPTER 1 GENERAL RULES

### Article 1 Application of These Terms and Conditions

1. Under these Terms and Conditions ABC Service Co., LTD. ("the Company") rents a motor vehicle ("Rental Vehicle") to the Renter (hereinafter including additional authorized driver (s)). All the drivers shall comply with the Terms and Conditions of this Agreement. Particulars not provided by these Terms and Conditions shall be in accordance with the laws, regulations and general customs.
2. The Company may enter into any special agreement, provided that it is not contrary to the purport of these Terms and Conditions, the laws, regulations and general customs. In this case the special contract shall have preference to these Terms and Conditions.

## CHAPTER 2 RENTAL AGREEMENT

### Article 2 Reservations

1. The Renter can make reservations upon specifying in advance the class of the Rental Vehicle, the commencement date and time of rental, the renting and returning place, the period of rental, the driver's name, and other conditions, if any, required for renting the Rental Vehicle and the Company shall comply with such specifications to the extent that the Rental Vehicle is available for such rental.
2. In case of need to use equipments such as Child Seat, regulated by laws and ordinances, or Car Navigation System, the Renter shall make reservations for those at the same time of the reservations in the above Clause.
3. For the reservations in the above two Clauses, a booking deposit ("Deposit") stipulated separately shall be paid by the Renter.
4. The reservations shall be deemed to have been cancelled when the agreement of renting a Rental Vehicle ("Rental Agreement") is not concluded one hour or more from after the time of rental commencement which was booked in accordance with the above Clause 3.
5. In case the rental conditions provided in Clause 1 of this Article are to be changed, the consent of the Company must be obtained in advance. However, agencies such as travel agents or alike which have an agreement with the Company to be given an authority to undertake reservations on behalf of the Company, can effect its cancellations, changes or alike.

### Article 3 Conclusion of the Rental Agreement

1. The Company will conclude the Rental Agreement in accordance with the Renter's application, except in case that there is no appropriate vehicle available to rent or that the Renter comes under any of the provisions of Article 9.
2. The application for renting a Rental Vehicle shall be made by specifying the rental conditions and period of the rental prescribed in Clause 1 and 2 of the above Article 2.
3. When the Rental Agreement is concluded, the Company shall receive the rental charge ("Rental Charge") as prescribed separately.

**Article 4 Realization of the Rental Agreement**

1. The Rental Agreement shall have been concluded, when the Company has received the Rental Charge and has delivered the Rental Vehicle to the Renter. In this case, the Deposit shall be allotted as part of the Rental Charge.
2. The Company may rent a vehicle of different class ("Substitute"), in case the Company is unable to rent a vehicle of the same model that the Renter has reserved, due to accidents, theft or any other thing for which the Company is not responsible.
3. When the Rental Charge for the Substitute under the above Clause 2. is higher than the Rental Charge for having been applied, the payable amount for the Substitute shall be the same as for such applied. When it is lower than the Rental Charge for having been applied, the payable amount shall be that for the said Substitute.
4. The Renter may refuse to receive the Substitute in accordance with the above Clause 2. and may cancel the reservation.

**Article 5 Cancellation of the Rental Agreement**

1. The Company may cancel the Rental Agreement and immediately demand the Renter to return the Rental Vehicle without any notification or whatsoever, when the Renter should come, during the rental period, under the provisions of any of the following items. In this case, the Company shall not restore the Rental Charge having been received under the above Article 4.

(1) When these Terms and Conditions are violated,

When any accident (including traffic accident), the cause of which can be imputed to the Renter, has occurred.

(3) In case of anything coming under the provisions of Article 9.

- 2.
2. The Renter may cancel the Rental Agreement in case the Renter becomes unable to use the

Rental Vehicle due to any defect which has occurred before it is delivered, unless otherwise the measures are taken in accordance with Clause 3 of Article 22.

**Article 6 Termination of the Rental Agreement due to Force Majeure**

1. In case the Renter becomes unable to continue the use of the Rental Vehicle for reasons of a natural disaster or any other force majeure during the rental period, the Rental Agreement shall terminate.
2. If anything which falls within the above Clause should occur, the Renter shall inform the Company of such fact.

**Article 7 Cancellation of the Rental Agreement before Termination**

1. The Renter may cancel the Rental Agreement, even during the rental period, upon obtaining the consent of the Company. In this case, the Renter shall pay the cancellation fee as provided in Article 25.
2. If the Rental Vehicle is returned during the rental period in accordance with an accident or a breakdown which is imputed to the Renter, the Rental Agreement shall be deemed to have been cancelled.
3. If the Rental Vehicle is returned for the above Clause, the Company shall not restore the Rental Charge having been received under Article 4.

**Article 8 Changes in Rental Conditions**

1. When the Renter desires to change such rental conditions as specified in Clause 2 of Article 3 after the Rental Agreement has been concluded, the consent of the Company shall be obtained beforehand.
2. If any impediment is expected to arise in the execution of rental business of the Company due to changes in the rental conditions provided in the above Clause 1, the Company will not consent to such changes.

**Article 9 Refusal to Conclude the Rental Agreement**

In case the Renter comes under one of the following provisions, the Company reserves the right to refuse to conclude the Rental Agreement.

When the acceptable driver's license necessary to operate the Rental Vehicle is not presented to the

(1) Company by the person who desires to rent/operate the Rental Vehicle.

(2) When the Renter is under the influence of alcohol,

(3) When the Renter displays toxic symptoms due to narcotics, stimulant drugs, thinner, etc.,

When other than the driver (s) designate (s) at the time of reservation appear (s) to receive the Rental

(4) Vehicle.

(5) If any default has been made in payment of the Rental Charge in the past.

(6) When the Renter has behaved in a manner which is applicable to the items in Article 17.

When the Renter has behaved in a manner which is applicable to the items in Article 30, including car rental

(7) from other companies.

## CHAPTER 3 RENTAL VEHICLE

### **Article 10 Commencement Date, Time, etc.**

The Company shall rent the Rental Vehicle as designated in Article 14 at the commencement date and time, and at the renting place specified as in Clause 2 of Article 3.

### **Article 11 How to Rent, etc.**

1. The Company shall rent the Rental Vehicle to the Renter, after having confirmed, together with the Renter, that the Rental Vehicle has no defects by the practice of the routine checkup and maintenance prior to the Operation, which is provided in Paragraph 2 of Article 47 of the Road Transport Vehicle Law, and the checkup of the Rental Vehicle exterior and accessories, according to the check-list which is separately provided.
2. In case the Company detects any defect of the Rental Vehicle upon checkups as in the above Clause 1, it shall exchange the said Rental Vehicle for another or take any other disposition necessary.
3. At the time of delivery of the Rental Vehicle, the Company shall issue to the Renter the automobile certificate, having the contents prescribed by the director of the District Land Transport Bureau or by the director of the Land Transport Office of the Okinawa General Affairs Bureau.

## CHAPTER 4 RENTAL CHARGE

### **Article 12 Rental Charge**

1. The Rental Charge that the Company receive provided in this CHAPTER 4 shall be set forth according to the rental tariff notified to the Land Transport Office of District Bureau of Transport and Land Transport Office of the Okinawa General Affairs Bureau and being implemented by the Company at the time of Rental.
2. The Rental Charge that the Company receive shall be the total amount of the regular charge and other supplementary charges, if any.

### **Article 13 Measurement pursuant to Revision of The Rental Charge**

When the Rental Charge as in the above Article 12 is changed after the reservation has been made according to Article 2, the Rental Charge shall be as according to the rental tariff applied at

the time of reservation, notwithstanding Clause 1 in the above Article 12.

## CHAPTER 5 RESPONSIBILITIES

### **Article 14 Periodical Inspection and Maintenance**

The Company shall rent Rental Vehicles after practicing the periodical inspection and maintenance job as provided in Article 48 of the Road Transport Vehicle Law.

### **Article 15 Routine Checkup and Maintenance prior to the Operation**

During the rental period, the Renter shall conduct the routine checkup and maintenance of the Rental Vehicle daily prior to the Operation, as provided in Paragraph 2 of Article 47 of the Road Transport Vehicle Law.

### **Article 16 Renter's Managerial Responsibilities**

1. The Renter shall observe the duties with the care of a good manager in operating and maintaining the Rental Vehicle.
2. The managerial responsibilities as in the above Clause 1 shall begin when the Rental Vehicle is received by the Renter, and end when it is returned to the Company.

### **Article 17 Prohibited Acts**

During the rental period, the Renter shall not act in any of the following items:

To use the Rental Vehicle for transportation undertakings or for similar purposes without obtaining the  
(1) consent of the Company or the permission based on the Road Transport Law,

To use the Rental Vehicle for hire, to deposit it for security, or any other acts which would infringe the  
(2) ownership rights of the Company,

To change the original form of the Rental Vehicle by falsification or defacement of its automobile register number plate or license number plate, or rebuilding or redesigning, or any other act of changing its original  
(3) form,

To use the Rental Vehicle for any kind of test or competition, or for towing or pushing any other vehicles,  
(4) without obtaining the consent of the Company,

To allow a person (s) other than the Renter and the driver (s) specified as such in the Rental Agreement  
(5) provided in Clause 2 of Article 3 to drive the Rental Vehicle.

(6) To use the Rental Vehicle, violating the laws or public order and good customs,

(7) To subscribe to damage insurance for the Rental Vehicle without obtaining the consent of the Company.

### **Article 18 Obligation to Carry Automobile Rental Certificate**

1. During the rental period the Renter shall carry the Automobile Rental Certificate issued in accordance with Clause 3 of Article 11.

2. If the said Automobile Rental Certificate should have been lost, the Renter shall notify the Company of such fact immediately.

**Article 19 Liability for Indemnity**

1. In case the Renter causes the Rental Vehicle to incur damage by any accident, the cause of which is imputed to the Renter, the Renter shall pay to the Company the damages which are prescribed separately as the compensation for loss resulting from non-usability of the Rental Vehicle during its repairing period. The Company shall publicize the amount of such compensation in its tariff table.
2. Besides the above Clause, the Renter shall bear the liability for indemnifying such loss as the Renter causes a third party or the Company to incur by operating the Rental Vehicle. Provided, however, this shall not apply when the cause for such loss is not imputed to the Renter.

**CHAPTER 6 MEASURES FOR AUTOMOBILE ACCIDENTS, ETC.**

**Article 20 Accident Disposal**

1. When the Rental Vehicle is involved in any accident while the Rental Vehicle is being rented, the Renter shall take the measures required by the laws and regulations, regardless of whether the accident is serious or not, and dispose of it in accordance with the following provisions:

(1) To report immediately to the Company on the situation of the accident,

To submit to the Company without delay the documents and evidence concerning the said accident deemed

(2) necessary by the Company and the insurance company with which the Company has made a contract,

To obtain the consent of the Company beforehand when making a settlement or coming to an agreement

(3) with a third party concerning the said accident,

To have the Rental Vehicle repaired at the Company or at a repair shop designated by the Company, except

(4) the case of particular reason to be applied.

- 2.
2. In addition to the above mentioned in Clause 1, the Renter shall endeavor to find any settlement for the accident on its own responsibility.
3. The Company shall furnish the Renter with advice about the accident disposal in which the Rental Vehicle is involved, and collaborate with the Renter in securing its settlement.

**Article 21 Compensation**

1. The Company shall, in accordance with the compensation systems provided by the Company, cover the liability for loss indemnity borne by the Renter as in Clause 2 of Article 19, with the following limits of coverage.

Third party liability coverage:

(1) Bodily injury/death per person -- Unlimited

Property damage liability coverage:

(2) Per accident - Maximum ¥ 5 million (Deductible ¥ 50,000)

Rented vehicle damage liability coverage:

Per accident - Current value

[Deductibles]

S - WA Class ¥50,000

K Class ¥70,000

(3) L Class ¥100,000

Passenger coverage: 10 million yen per passenger

\*\*Maximum coverage of hospitalization or medication per passenger is 180 days from the date of accident.

Death : 10 million yen per authorized number of passengers

Medication : 5,000 yen per day

Hospitalization : 7,500 yen per day

(4) After affects : to be decided with maximum amount of 10 million yen.

2.

2. Loss in excess of the limits provided in the above Clause 1 shall be borne by the Renter.

3. If the Company has paid a loss amount which shall be borne by the Renter, the Renter shall immediately repay the amount to the Company.

4. The deductibles of the compensation systems shall be borne by the Renter apart from the case of special contracts.

5. Liability coverage of above Clause 1 may not be applied to such accident as follows.

The accident which is not notified to the rental office of the Company and to the police,  
The accident any of the escape clauses of the damage insurance contract is applicable,  
The accident occurred and comes under one of the provisions of (1), (2), or (3) of Article 9 after it was rented,

The accident comes under one of the provisions of (1), (2), (3), (4) or (5) of Article 17,  
The accident caused in the period that is prolonged by the Renter without obtaining the permission of the Company.

**Article 22 Measures for Breakdown, etc.**

1. If any abnormality or breakdown is detected in the Rental Vehicle during its rental period, the Renter shall immediately discontinue its operation and contact the Company, observing its instructions.
2. The Renter shall bear the costs required for the collection and repair of the Rental Vehicle, in case of abnormality or breakdown of the Rental Vehicle due to the Renter's intention or fault.
3. In case the Rental Vehicle can not be operated due to any defect having been occurred before it was rented, the Renter may be offered a Substitute by the Company or receive services corresponding to offering Substitutes.
4. The Renter shall not claim more to the Company for the damage caused by the impossibility of operating the Rental Vehicle than provided in the above Clause 3.

**Article 23 Exemption due to Force Majeure**

1. In case the Renter fails to return the Rental Vehicle within the rental period due to a natural disaster or any other force majeure, the Company shall not claim to the Renter damages caused due to this. In this case the Renter shall immediately contact the Company, observing its instructions.
2. In case the Company cannot offer the Rental Vehicle or the Substitute due to a natural disaster or any other force majeure, the Renter shall not claim to the Company damages caused by this. In this case the Company shall contact the Renter immediately.

**CHAPTER 7 CANCELLATION, REFUNDMENT, ETC.**

**Article 24 Cancellation of the Reservation, etc.**

1. The Renter shall pay a penalty as provided separately when the Renter cancels the reservation or does not conclude the Rental Agreement for Renter's own reasons after having made the reservation as in Article 2, or when the Renter is unable to use the Rental Vehicle for the lack of the equipments specified in the Clause 2 of Article 2. When this penalty is paid, the Company shall restore the Deposit.
2. The Company shall restore the Deposit and pay a penalty as provided separately, when the Company cancels the reservation or does not conclude the Rental Agreement for reasons of its own after having received the reservation as in Article 2.
3. The reservation shall be deemed to have been cancelled when the Rental Agreement is not concluded for reasons other than provided in Clause 2 above after it has been made as in Article 2. In this case the Company shall restore the Deposit.



4. Excepting the case provided in above 3 Clauses, the Company and the Renter shall make no claims whatsoever to each other with respect to non-conclusion of the Rental Agreement.

**Article 25 Cancellation Fee**

When the Renter cancels the Rental Agreement during the rental period as in Clause 1 of Article 7, the Renter shall pay the following cancellation fee which is calculated as follows, in addition to the Rental Charge corresponding to the rental duration up to the cancellation.

Cancellation fee = {(Regular rate corresponding to the total rental period) - (Regular rate corresponding to the duration from the commencement of rental to its return)} multiplied by 50%

**Article 26 Refundment of the Rental Charge**

1. In case of any of the following cases, the Company shall restore all or part of the Rental Charge having been received from the Renter in accordance with the following respective provisions.

The total Rental Charge having been received, when the Renter cancels the Rental Agreement, in  
(1) accordance with Clause 2 of Article 5.

The balance with the amount corresponding to the duration from the commencement of rental to the termination of the Rental Agreement, deducted from the total Rental Charge having been received, when th  
(2) Rental Agreement terminates in accordance with Clause 1 of Article 6.

The balance with the amount corresponding to the period from the commencement of rental to its return du  
to the cancellation, deducted from the total Rental Charge having been received, when the Renter makes th  
(3) halfway cancellation as in Clause 1 of Article 7.

2.

2. In case of restoration in the above Clause 2, the Company may offset this amount of restoration against the receivable cancellation fee or other amounts, if any.

**CHAPTER 8 RETURN OF THE RENTAL VEHICLE**

**Article 27 Confirmation of the Rental Vehicle**

1. At the time of return of the Rental Vehicle to the Company, the Renter shall return it in the same condition as confirmed at the commencement of rental, except for ordinary wear and tear due to the normal operation.
2. At the time of return, the Company shall check the Rental Vehicle in the presence of the Renter.
3. At the time of return, the Renter shall confirm, in the presence of the Company, that no article

belonging to the Renter, driver (s) or passenger (s) has been left behind in the Rental Vehicle. The Company shall bear no responsibility for such items, after the completion of return of the Rental Vehicle.

**Article 28 Time of Return of the Rental Vehicle, etc.**

1. The Renter shall return the Rental Vehicle at or before the termination of its rental period.
2. When the rental period is changed in accordance with Clause 1 of Article 8, the Renter shall pay either the Rental Charge for the total duration after the change, or the Rental Charge for the original period plus the excessive charge, the lower of which shall apply.
3. If the Rental Vehicle is returned in excess of the rental period without obtaining the consent of the Company in accordance with Clause 1 of Article 8, the Renter shall pay the penalty as follows:  $\text{Penalty} = \text{Total amount of the excessive time multiplied by the unit rate of the excessive charge multiplied by } 300\%$

**Article 29 Place for Return of the Rental Vehicle, etc.**

1. The Rental Vehicle shall be returned to the place specified in accordance with Clause 2 of Article 3, provided, however, in case the place for the return is changed in accordance with Clause 1 of Article 8, the Rental Vehicle shall be returned to the place determined subsequent so such change.
2. In the case under the provisory stipulation in the above Clause 1, the Renter shall bear the expenses for the transportation made necessary due to the change of the place of return.
3. If the Rental Vehicle is returned to a place other than specified in Clause 2 of Article 3 without obtaining the consent of the Company pursuant to Clause 1 of Article 8, the Renter shall pay the penalty as follows:  $\text{Penalty} = \text{Expense necessary for transportation due to the change of return multiplied by } 300\%$

**Article 30 Measures to be taken in Case of Non-Return of the Rental Vehicle**

When the Renter does not return the Rental Vehicle to the place provided in Clause 1 of the above Article 29 after a lapse of 24 hours from the termination of the rental period and the Renter fails to comply with the Company's request for return, or if the whereabouts of the Renter is not known to the Company, the Company may activate the detective device equipped with the Rental Vehicle.

And When the Renter does not return the Rental Vehicle to the place provided in Clause 1 of the above Article 29 after a lapse of 72 hours from the termination of the rental period and the Renter fails to comply with the Company's request for return, or if the whereabouts of the Renter is not known to the Company, the Company will consider that the Rental Vehicle is stolen and the Company will take all legally possible measures including accusation of the Renter and, in

addition, will report such fact of non-return to All Japan Rent-A-Car Association.

**Article 31 Registration of Credit Information and Its Utilization**

The Renter agrees that; when he has behaved in a manner which is applicable to the items in Article 30, his credit information based on the fact of his vehicle rental is registered on All Japan Rent-A-Car Association for less than 7 years and such registered information is quoted by such Association, local Rent-A-Car Associations and the member vehicle rental companies thereof.

CHAPTER 9 MISCELLANEOUS

**Article 32 Consumption Tax**

The Renter shall pay the consumption taxes under the Tax Laws, which arise from these Terms and Conditions to the Company.

**Article 33 Arrears**

When the Renter neglects to fulfill any monetary obligation under these Terms and Conditions, the Renter shall pay to the Company the arrears at an annual rate of 6.5% together with the principal of such monetary obligation.

**Article 34 Detailed Rules**

1. For implementing these Terms and Conditions, the Company may prescribe the detailed rules separately.
2. When the detailed rules are prescribed separately, the Company shall post them on the notice boards of its rental offices and publicize them in the literature and tariff table to be issued by the Company. The same shall be applied in case of their changes.

**Article 35 Precedence of Japanese Language**

In the event of any discrepancy in the description between in English and in Japanese of these Terms and Conditions, Japanese version shall prevail as the formal version.

**Article 36 Agreement on the Competent Court**

Should disputes arise with regard to the rights and obligations on these Terms and Conditions, the competent court shall be the Court having territorial jurisdiction over the main office of the Company.

SUPPLEMENTARY PROVISION

These Terms and Conditions shall be effective on and after April 1, 2003.