

# Rental Clause

Revised on August 1, 2019

## Chapter 1 General Rules

### Article 1 (Application of the Clause)

- Company A shall rent a rental vehicle (hereinafter referred to as the "rental car") to the Rantee and the Rantee shall rent it in accordance with this Clause. If the Rantee designates a driver different from the Rantee in accordance with Paragraph 3 of Article 8, the Rantee shall make the driver aware of and comply with the Clause relevant to the driver. Any matters not covered by this Clause shall be governed by the detailed rules of Article 41, the applicable laws and regulations, or the general custom.
- 2 Company A may comply with a special contract to the extent that it is not contradictory to the provisions of this Clause and the detailed rules, the applicable laws and regulations, government releases, and the general custom. If such a special contract is concluded, that special contract shall take precedence over the Clause.

## Chapter 2 Reservation

### Article 2 (Applying for a Reservation)

- To rent a rental car, the Rantee may, after agreeing with this Clause, the separately specified rate table, and so on, apply for a reservation by indicating the following in advance by means of the separately specified method: car model and class, rental start date and time, rental location, rental period, return location, driver, whether a child seat and/or any other accessories are required, and other rental conditions (hereinafter referred to collectively as the "rental conditions").
- 2 When the Rantee applies for a reservation, Company A shall, in principle, accept the reservation insofar as possible with the vehicles that are available to Company A or through a rental by proxy pursuant to the provisions of Paragraph 1 of Article 34 (including the case of renting, as a substitute, a vehicle rented by proxy according to the provisions of that paragraph). If Company A accepts the reservation, the Rantee shall pay the separately specified reservation application fee except in those cases specifically approved by Company A.

### Article 3 (Changing the Reservation)

- If the Rantee wishes to change the rental conditions described in Paragraph 1 of the preceding article, the Rantee shall obtain the prior consent of Company A.

### Article 4 (Canceling the Reservation)

- The Rantee may cancel the reservation by means of the separately specified method.
- 2 If the Rantee fails to start the procedure for signing the rental car rental contract (hereinafter referred to as the "rental contract") within one (1) hour after the rental start time specified at the time of the reservation for a reason that can be attributed to the Rantee, the reservation shall be regarded as having been canceled.
- 3 In the event of the Rantee failing to start the signing procedure as described in Paragraph 2 above, the Rantee shall pay Company A the separately specified reservation cancellation fee, and provided this reservation cancellation fee is paid, Company A shall return the Rantee's reservation application fee that it has received.
- 4 If the reservation is canceled or the rental contract is not signed for a reason attributable to Company A, Company A shall return the Rantee's reservation application fee that it has received, in addition to the separately specified penalty.
- 5 If the rental contract is not signed due to reasons of accident, theft, non-return, recall, natural disaster, another Rantee's delay in returning a rental car, or for any other reason not attributable to either the Rantee or Company A, or if the rental car reserved in advance cannot be provided, the reservation shall be regarded as having been canceled even after the reservation has been made. Should this occur, Company A shall return the Rantee's reservation application fee that it has received.
- 6 If, for an application for a reservation via the Internet, an email from Company A acknowledging that the reservation has been confirmed cannot be received at the address provided by the Rantee and the Rantee cannot be contacted by telephone, Company A may regard the reservation as not having been made.

### Article 5 (Alternative Rental Car)

- If Company A fails to provide a rental car that satisfies the conditions specified by the Rantee at the time the reservation was made, such as model and class, accessories, smoking/non-smoking, and other specifications (hereinafter referred to as the "conditions"), Company A may offer to the Rantee the rental of a rental car that satisfies conditions different from those specified (hereinafter referred to as the "alternative rental car").
- 2 If the Rantee accepts the offer described in the preceding paragraph, Company A shall rent the alternative rental car under the same rental conditions as those specified at the time of the reservation, except for the conditions that are not satisfied. If the rental fee for the alternative rental car is higher than that for the model and class specified at the time of the reservation, the Rantee shall pay the rental fee for the car model and class specified at the time of the reservation. If it is lower than that for car model and class specified at the time of the reservation, the Rantee shall pay the rental fee for the car model and class of the alternative rental car.
- 3 The Rantee may reject the offer to rent the alternative rental car described in Paragraph 1 and cancel the reservation.
- 4 In the event of the preceding paragraph, if the reason for the failure to rent, described in Paragraph 1, is attributable to Company A, this shall be regarded as constituting the cancellation of the reservation as described in Paragraph 4 of Article 4, and Company A shall return the Rantee's reservation application fee that it has received, in addition to the separately specified penalty.
- 5 In the event of Paragraph 3, if the reason for the failure to rent, described in Paragraph 1, is not attributable to Company A, this shall be regarded as constituting the cancellation of the reservation described in Paragraph 5 of Article 4, and Company A shall return the Rantee's reservation application fee that it has received.

### Article 6 (Immunity)

- If the reservation is canceled or if the rental contract is not signed, Company A and the Rantee shall not make any charge to the other party except in the cases specified in Articles 4 and 5.

### Article 7 (Applying for a Reservation through an Agency)

- The Rantee may apply for a reservation through a travel agency, a partner company, or the like that accepts applications for reservations on behalf of Company A (hereinafter referred to as the "agency").
- 2 If the Rantee applies for a reservation through an agency, as described in the preceding paragraph, the Rantee may change or cancel the reservation through that agency only.

## Chapter 3 Rental

### Article 8 (Signing the Rental Contract)

- Before signing the rental contract, the Rantee shall indicate the rental conditions described in Paragraph 1 of Article 2, and Company A shall indicate the rental conditions specified in this Clause, the rate table, and the like. This paragraph shall not apply if Company A does not have a vehicle to rent, if the Rantee or the driver falls under any of the subparagraphs of Paragraph 1 or 2 of Article 9, or if the Rantee or the driver fails to comply with any of the requests from Company A in connection with the subsequent paragraphs.
- 2 Upon signing the rental contract, the Rantee shall pay Company A the rental fee specified in Paragraph 1 of Article 11.
- 3 In accordance with the Basic Instructions (Note 1) issued by the supervisory authorities, Company A shall enter the driver's name and address, the type of his or her driving license, and the number of the driving license (Note 2) in the rental book (rental sheet), as well as on the rental certificate specified in Paragraph 1 of Article 14, or attach a copy of the driving license of the driver to them. To do so, in signing the rental contract, Company A shall request the Rantee to present the driving license of the driver specified by the Rantee (hereinafter referred to as the "driver") and to submit a copy of the driving license. When requested, the Rantee shall present his or her driving license if he or she is the driver and submit a copy thereof. If the Rantee is not the driver, he or she shall present the driving license of the driver and submit a copy thereof.
- Note 1: For details on the Basic Instructions issued by the authorities, refer to Article 2 (10) and 2 (11) of the "Basic Instructions Concerning Rental Vehicles" issued on June 13, 1995 by the Director of the Road Transport Bureau, the Ministry of Land, Infrastructure and Transport (Ji-Ryo No. 138).
- Note 2: Regarding the driving licenses stipulated in Article 92 of the Road Traffic Law, "driving license" shall refer to a driving license in a form consistent with Form 14 described in Article 19 of the Execution Rules for the Road Traffic Law. Additionally, an international driving license or a foreign driving license as stipulated in Article 107.2 of the Road Traffic Law shall apply mutatis mutandis to the driving license.
- 4 In signing the rental contract, Company A may request the Rantee and the driver to submit a document for identity verification purposes, in addition to the driving license, and may make a copy of the submitted document.
- 5 In signing the rental contract, Company A shall request the Rantee and the driver to notify Company A of their cell-phone numbers or other means of contacting them during the rental period.
- 6 In signing the rental contract, Company A may specify to the Rantee a payment method such as a credit card or cash.
- 7 If the Rantee or the driver fails to comply with any of the requests from Company A in connection with Paragraphs 2 to 6 above, Company A may reject the signing of the rental contract and cancel the reservation. Should this occur, Paragraph 5 of Article 4 shall apply to the handling of the reservation application fee and the like.

### Article 9 (Rejecting the Signing of the Rental Contract)

- If the Rantee or the driver fall under any of the subparagraphs below, Company A may refrain from offering the rental contract for signing.
- (1) The Rantee or the driver fails to present the driving license necessary for driving the rental car to be rented, or fails to consent to presenting a copy of the driving license of the driver even though Company A so requests.
- (2) The driver is deemed to be under the influence of alcohol.
- (3) The Rantee or the driver is deemed to exhibit the effects of narcotics, stimulant drugs, thinner, and so on.
- (4) The Rantee or the driver is attempting to carry a child under the age of six (6) in the car, despite the fact that no child seat is available for use.
- (5) The Rantee or the driver is deemed to be a member of an organized crime syndicate or an organization related to such a syndicate, a person involved in such a syndicate or organization, or a member of any other antisocial organization.
- 2 If the Rantee or the driver falls under any of the subparagraphs below, Company A may refrain from offering the rental contract for signing.
- (1) The driver specified at the time of the reservation differs from the driver at the time of the signing of the rental contract.
- (2) The Rantee or the driver has been delinquent in paying the rental fee for a past rental.
- (3) The Rantee or the driver has committed any of the acts described in the subparagraphs of Article 17 in a past rental.
- (4) The Rantee or the driver falls under any of the items described in Paragraph 6 of Article 18 or Paragraph 1 of Article 23 in a past rental (including rentals from another rental car company).
- (5) The Rantee or the driver has failed to have automobile insurance cover for a past rental due to the violation of a rental Clause or the insurance Clause.
- (6) The Rantee or the driver commits a violent act toward any employee of Company A or any of those concerned, demands a burden beyond normal, reasonable bounds, or performs a violent act or uses inappropriate language in connection with the transaction with Company A.
- (7) The Rantee or the driver spreads false information, defames Company A by the use of fraudulent means or force, or interferes with the business of Company A.
- (8) The Rantee or the driver does not comply with conditions separately indicated.
- (9) Company A deems it inappropriate to sign the rental contract for any other reasonable reason.

- 3 In the event of the circumstances described in Paragraph 2 above, if the reservation of the Rantee has already been accepted by Company A, the reservation shall be regarded as having been canceled, and if the Rantee has paid the reservation cancellation fee, Company A shall return the Rantee's reservation application fee that it has received.

### Article 10 (Completion of the Rental Contract)

- The rental contract shall be regarded as having been completed when Company A receives the rental fee and delivers the rental car to the Rantee. At this point, the reservation application fee or the amount equivalent to the coupon issued by the agency, etc. shall be regarded as being part of the rental fee.
- 2 The delivery described in the preceding paragraph shall take place at the rental start date and time described in Paragraph 1 of Article 2 and at the rental location described in that Paragraph.

### Article 11 (Rental Fee)

- The rental fee shall consist of the fees described below, and Company A shall indicate each fee or the basis for their calculation in the rate table.
- (1) Basic fee  
(4) Fuel fee or battery charge fee  
(7) Other fees
- (2) Special equipment fee  
(5) Delivery and collection fee  
(6) Collision damage waiver fee
- (3) Drop-off fee
- 2 The basic fee shall be in accordance with the fee that Company A reports to the Director of the Land Transport Office of the District Transport Bureau (in Hyogo prefecture, the Director of Hyogo Land Transport of the Comptroller Division of Kobe Transport and in Okinawa prefecture, the Director of the Land Transport Office of the Okinawa General Affairs Bureau, both of which shall also apply to Paragraph 1 of Article 14).
- 3 If the rental fee is changed after the reservation is made in accordance with Article 2, the fee applied at the time of the reservation shall be compared with that at the time of the rental, and the lower of the two shall apply.
- 4 The rental fee shall be specified separately in the detailed rules.

### Article 12 (Changing the Rental Conditions)

- If, after the signing of the rental contract, the Rantee wishes to change the rental conditions described in Paragraph 1 of Article 8, the Rantee shall obtain the prior consent of Company A.
- 2 Company A may not consent to the changes to the rental conditions under the preceding paragraph if the changes interfere with its rental operations.
- 3 If the Rantee wishes to extend the rental period described in Paragraph 1, the initial conditions of the rental contract shall be remain unchanged, except for the rental period, and the Rantee shall pay the rental fee for the extension to the rental period.

### Article 13 (Inspection, Maintenance, and Confirmation)

- Company A shall rent the rental car after performing the inspection stipulated in Article 48 (Periodic Inspection and Maintenance) of the Road Trucking Vehicle Law and performing all necessary maintenance.
- 2 Company A shall perform the inspection stipulated in Paragraph 2 (Daily Inspection and Maintenance) of Article 47 of the Road Trucking Vehicle Law and perform all necessary maintenance, including that of a rental car rented by proxy pursuant to the provisions of Paragraph 1 of Article 34. If, in the case of a rental by proxy, a similar inspection and maintenance have already been performed by the rental car company supplying the rental car, Company A may confirm an inspection list or the like in lieu of performing said inspection and maintenance.
- 3 The Rantee or the driver shall confirm that the inspection and the maintenance described in Paragraph 2 above have been performed, that the rental car is free from maintenance defects by inspecting the exterior of the car and the accessories in accordance with the separately specified inspection table, and that the rental car satisfies the rental conditions.
- 4 If any maintenance defects are found in the rental car in the confirmation described in the preceding paragraph, Company A shall immediately perform the necessary maintenance.
- 5 The Rantee or the driver shall be responsible for using a child seat and other attachments appropriately.

### Article 14 (Issue and Carrying of the Rental Certificate)

- When delivering the rental car, Company A shall issue to the Rantee or the driver a prescribed rental certificate containing the items stipulated by the Director-General of the District Transport Bureau.
- 2 The Rantee or the driver shall carry the rental certificate issued in accordance with the preceding paragraph whenever he or she is using the rental car during the time from the delivery of the rental car to its return to Company A (referred to as "during use").
- 3 If the Rantee or the driver loses the rental certificate, he or she shall immediately notify Company A of this fact.
- 4 When returning the rental car, the Rantee or the driver shall also return the rental certificate to Company A.

## Chapter 4 Use

### Article 15 (Responsibility for Management)

- During use of the rental car, the Rantee or the driver shall apply due diligence to the use and storage of the rental car.

### Article 16 (Daily Inspection and Maintenance)

- During the period of use, the Rantee or the driver shall perform the inspection of the rental car that is stipulated in Paragraph 2 (Daily Inspection and Maintenance) of Article 47 of the Road Trucking Vehicle Law before use every day, and perform any necessary maintenance.

### Article 17 (Prohibited Acts)

- During the period of use, the Rantee or the driver shall not commit any of the acts listed below.
- (1) Use the rental car for motor carrier or similar purposes without obtaining the consent of Company A or the permission required under the Road Transport Law.
- (2) Use the rental car for purposes other than those prescribed, or let a person drive who is not the driver specified on the rental certificate described in Paragraph 3 of Article 8 and is not the person that has obtained the consent of Company A.
- (3) Sublet the rental car, deposit it for security, or commit any other act that may violate the rights of Company A.
- (4) Change the original state of the rental car by fabricating or falsifying the automobile registration number plate or the vehicle number plate of the rental car or by remodeling or reworking the rental car.
- (5) Use the rental car in any kind of test or competition or to tow or push any other vehicle without first obtaining the consent of Company A.
- (6) Use the rental car to violate laws and regulations or offend public order and morals.
- (7) Buy nonlife insurance for the rental car without obtaining the consent of Company A.
- (8) Take the rental car out of Japan.
- (9) Damage or defile an electric car or its charger by handling it improperly.
- (10) Remove any of the car navigation, audio system, or other equipment placed in the rental car and take them out of the car without obtaining the consent of Company A; or use any of the in-car tools, in-car components, and so on for purposes other than those associated with the rental car.
- (11) Carry a pet in the rental car without obtaining the consent of Company A and uncage the pet in the car.
- (12) Commit any acts that cause remarkable inconvenience to Company A or other renters.
- (13) Commit an act that will violate the rental conditions described in Paragraph 1 of Article 8.

### Article 18 (Measures to Be Taken in the Event of Illegal Parking by the Rantee or the Driver)

- If, during the period of use, the Rantee or the driver parks the rental car illegally as stipulated in the Road Traffic Law, he or she shall appear at the police station that has jurisdiction over the area in which the vehicle was parked illegally, shall immediately pay the fine and other charges in connection with the illegal parking by him or herself, and shall also cover the charges of towaway, storage, collection, and others.
- 2 If Company A is notified by the police that the rental car is carelessly or illegally parked, Company A shall notify the Rantee or the driver, instruct him or her to immediately move or collect the rental car and appear at the police station that has jurisdiction at the expiry of the rental period of the rental car or by the time specified by Company A to handle the violation. The Rantee or the driver shall comply with the instructions issued therein. If the rental car is moved by the police, Company A may collect the rental car from the police by itself at its own discretion.
- 3 After issuing the instructions described in the preceding paragraph, Company A shall, at its own discretion, confirm the handling of the violation with the traffic violation notice, the payment notice, the receipt, and the like. If the violation has not been addressed, Company A shall issue the instructions described in the preceding paragraph to the Rantee or the driver until the violation is handled appropriately. Company A shall also request the Rantee or the driver to sign a document prescribed by Company A (hereinafter referred to as the "acknowledgement letter") by him or herself so that he or she acknowledges the fact that he or she has carelessly or illegally parked the car and pledges that he or she will appear at the police station to follow the appropriate legal procedures as a violator, and the Rantee or the driver shall comply with this request.
- 4 Company A shall cooperate with the police as necessary to pursue the responsibility of the Rantee or the driver for the careless or illegal parking, by taking appropriate measures such as submitting materials including personal information, acknowledgement letter, and rental certificate, if Company A deems that such cooperation is necessary. Also, Company A may take the necessary legal measures such as submitting, to the Public Safety Commission, documents such as the letter of explanation stipulated in Article 51.4, (6) of the Road Traffic Law, the acknowledgement letter, and the rental certificate to report the facts. The Rantee or the driver shall consent to these measures.
- 5 If Company A is ordered to pay a delinquency fine in accordance with Article 51.4, (1) of the Road Traffic Law and subsequently pays that delinquency fine, or if Company A covers the expenses incurred to search for the Rantee or the driver or the expenses incurred to move, store, and collect the vehicle, Company A shall charge the Rantee or the driver for the sum of the amount of money, penalty, and expenses described in (1), (2) and (3). In such a case, the Rantee or the driver shall pay the illegal parking expenses by the date specified by Company A. (hereinafter the sum of the amount of money, penalty, and expenses described in (1), (2) and (3) referred to as the "illegal parking expenses", and the sum of (1) and (2) referred to as the "illegal parking fine")
- (1) Amount of money equivalent to the delinquency fine
- (2) Penalty for illegal parking that is separately specified by Company A
- (3) Expenses incurred for the search and the expenses incurred to move, store, and collect the vehicle, etc.
- 6 If Company A is ordered to pay the delinquency fine described in the preceding paragraph, or if the Rantee or the driver fails to pay the expenses stipulated in the preceding paragraph in full by the date specified by Company A, Company A shall take appropriate measures such as registering the Rantee's or the driver's name, date of birth, address, driving license number, and other information in the All Japan Rent-a-Car Association (general incorporated foundation) information system (hereinafter referred to as the "Zenrekyo system") and in the blacklist of Company A. (The black list and the Zenrekyo system are collectively referred to as the "Zenrekyo system, etc.")
- 7 If the Rantee or the driver fails to comply with the instructions of Company A to handle the violation in accordance with Paragraph 2, Company A may charge the Rantee or the driver for the illegal parking fine. Also, if the Rantee or the driver fails to comply with the request of Company A to sign the acknowledgement letter in accordance with Paragraph 3, Company A may charge the Rantee or the driver for the illegal parking fine.
- 8 Notwithstanding the provisions of Paragraph 6, if Company A receives from the Rantee or the driver the illegal parking fine, as well as the expenses stipulated in Subparagraph 3 of Paragraph 5 in full, Company A shall refrain from taking measures such as registering data in the Zenrekyo system, etc. as described in Paragraph 6 or shall delete the data that has already been registered in the Zenrekyo system, etc.

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- 9 If the Rentee or the driver has paid Company A the amount of money that Company A has charged in accordance with Paragraph 5, and the Rentee or the driver pays the fine for the illegal parking later or the order to pay the delinquency fine is canceled by the bringing of an action, such that the delinquency fine is returned to Company A, Company A shall return to the Rentee or the driver the illegal parking fine from the illegal parking expenses that Company A has already received. This also applies if Company A has charged for the illegal parking fine in accordance with Paragraph 7.
- 10 If data has been registered in the Zenrekyo system, etc. in accordance with the provisions of Paragraph 6, and the order to pay the delinquency fine is canceled as a result of, for example, paying the fine, or the expenses charged by Company A in accordance with the provisions of Paragraph 5 are paid to Company A in full, Company A shall delete the registered data from the Zenrekyo system, etc.

## Chapter 5 Return

### Article 19 (Responsibility for Return)

- The Rentee or the driver shall return the rental car to Company A at the prescribed return location by the expiry of the rental period.
- 2 If the Rentee or the driver violates the provision of the preceding paragraph, the Rentee shall compensate Company A for damages incurred by Company A.
- 3 If the Rentee or the driver fails to return the rental car within the rental period due to natural disaster or other force majeure, the Rentee and the driver shall not be responsible for damages incurred by Company A. In such a case, the Rentee or the driver shall immediately contact Company A and follow the instructions issued by Company A.

### Article 20 (Confirmation at the Time of Return)

- The Rentee or the driver shall return the rental car in the presence of the staff of Company A. At this time, the rental car shall be in the same condition as that in which it was delivered, except for wear due to normal use and any decrease in the battery level of an electric car.
- 2 Upon returning the rental car, the Rentee or the driver shall confirm that there are no personal effects belonging to the Rentee, the driver, or any passengers left in the rental car.
- 3 If the Rentee has not paid the rental fee, etc. in full, the Rentee shall complete full payment upon the return of the rental car.
- 4 In addition to the preceding paragraph, unless otherwise specified in a special contract, if the rental car has not been refilled with fuel such as gasoline or diesel fuel (has not been filled up) at the time of its return, the Rentee shall immediately pay the fuel fee calculated using the method prescribed by Company A.

### Article 21 (Rental Fee Incurred for a Change in the Rental Period)

- If the Rentee has changed the rental period in accordance with Paragraph 1 of Article 12, he or she shall pay the rental fee for the changed rental period.
- 2 If the Rentee returns the rental car after exceeding the rental period without having obtained the consent of Company A in accordance with Paragraph 1 of Article 12, he or she shall pay a penalty equal to double the excess charge appropriate to the overtime, in addition to the fee described in the preceding paragraph.

### Article 22 (Return Location)

- If the Rentee or the driver has changed the prescribed return location in accordance with Paragraph 1 of Article 12, the Rentee shall cover the expense for the forwarding necessary due to the change in the return location.
- 2 If the Rentee or the driver has returned the rental car to a location other than the prescribed return location without first obtaining the consent of Company A in accordance with Paragraph 1 of Article 12, the Rentee shall pay the penalty for the change in the return location, specified below.
- Penalty for change in return location = Expense for the forwarding necessitated by the change in the return location × 300%

### Article 23 (Measures to be Taken in the Event of Non-Return)

- If the Rentee or the driver fails to return the rental car to the prescribed return location after the expiry of the rental period and does not comply with the request of Company A to return it, or if Company A deems that the rental car will not be returned for reasons such as the whereabouts of the Rentee being unknown, Company A shall take appropriate legal measures such as filing a criminal complaint and shall also take appropriate measures such as reporting the non-return to the All Japan Rent-a-Car Association (general incorporated foundation) and registering it in the Zenrekyo system, etc.
- 2 In the event of the preceding paragraph, Company A shall take appropriate measures to confirm the location of the rental car, including interviewing the family and relatives of the Rentee or the driver, those persons in the office where he or she works, and referring to the vehicle position information system.
- 3 In the event of Paragraph 1, the Rentee shall be responsible for compensating Company A for damages incurred by Company A in accordance with the provisions of Article 28, and shall cover the expenses incurred to collect the rental car and search for the Rentee or the driver.

## Chapter 6 Measures to be Taken in the Event of Breakdowns, Accidents, and Thefts

### Article 24 (Measures to be Taken in the Event of a Breakdown)

- If, during the period of use, the Rentee or the driver detects any abnormality or breakdown, he or she shall immediately stop driving, contact Company A, and follow the instructions issued by Company A.

### Article 25 (Measures to be Taken in the Event of an Accident)

- If, during the period of use, there occurs an accident involving the rental car, the Rentee or the driver shall immediately stop driving, take appropriate legal measures regardless of the magnitude of the accident, and then take the measures specified below.
- (1) Immediately report the accident to Company A and follow the instructions issued by Company A.
- (2) If the rental car is to be repaired in accordance with the instructions described in the preceding subparagraph, it shall be repaired at Company A or the workshop specified by Company A, unless otherwise approved by Company A.
- (3) Cooperate with Company A and the insurance company with which Company A has signed a contract in their research and submit the necessary documents and the like without delay.
- (4) Obtain the prior consent of Company A before reaching an out-of-court settlement or any other agreement with the other party regarding the accident.
- 2 In addition to applying the measures described in the preceding paragraph, the Rentee or the driver shall also deal with the accident and be responsible for handling any problems that may arise as a result.
- 3 Company A shall provide advice to the Rentee or the driver regarding the handling of the accident and cooperate with him or her in solving any problems that may arise from the accident.
- 4 For those vehicles equipped with an in-car accident recorder, Company A shall record situations such as impacts and crash stops for the purpose of confirming the situations in which an accident occurred.
- 5 Company A shall take appropriate measures such as verifying the records created as described in the preceding paragraph if such measures are deemed necessary.

### Article 26 (Measures to be Taken in the Event of Theft of the Vehicle)

- If, during the period of use, the Rentee or the driver finds that the rental car has been stolen or suffered any other damage, he or she shall apply the measures specified below.
- (1) Immediately report to the nearest police station.
- (2) Immediately report the damage to Company A and follow the instructions issued by Company A.
- (3) Cooperate with Company A and the insurance company with which Company A has signed a contract in their research and submit, without delay, all documents and the like that may be requested.

### Article 27 (Termination of the Rental Contract Due to Unusability)

- If, during the period of use, the rental car becomes unusable due to breakdown, accident, theft, or any other reason (hereinafter referred to as "breakdown or other failure"), the rental contract shall be regarded as having terminated.
- 2 In the event of the preceding paragraph, the Rentee shall cover the expenses required to tow, store, collect, and repair the rental car and any other necessary expenses, and Company A shall not return the rental fee that it has received. This paragraph shall not apply, however, if the breakdown or other failure is due to the reasons described in Paragraph 3 or 5.
- 3 If the breakdown or other failure is a result of a defect that existed prior to the start of the rental, a new rental contract shall be regarded as having been signed, and the Rentee may be provided with an alternative rental car by Company A. Paragraph 2 of Article 5 shall apply mutatis mutandis to the conditions governing the supply of the alternative rental car.
- 4 If the Rentee chooses not to accept the provision of the alternative rental car as described in the preceding paragraph, Company A shall return the rental fee that it has received, in full. This paragraph shall also apply if Company A fails to provide an alternative rental car.
- 5 If the breakdown or other failure has occurred for a reason that cannot be attributed to any of the Rentee, the driver, or Company A, Company A shall return the rental fee that it has received minus that portion of the rental fee that corresponds to the period from the rental to the termination of the rental contract.
- 6 Except for the measures described in this article, the Rentee may not make any claims to Company A other than those described in this article regarding any damage arising from the non-availability of a rental car. This paragraph shall not apply if the breakdown is due to Company A's intent or gross negligence.

## Chapter 7 Indemnity and Compensation

### Article 28 (Indemnity and Compensation for Business)

- If the Rentee or the driver causes damage to a third party or Company A during the period of use of the rental car that he or she has rented, the Rentee shall indemnify the damage, including that to a rental car rented by proxy pursuant to the provisions of Paragraph 1 of Article 34. This paragraph shall not apply if the Rentee and the driver are no-fault.

- 2 Of the damage to Company A that is described in the preceding paragraph, that damage arising from the nonusability of the rental car by Company A due to accident, theft, breakdown, contamination to or odor in the rental car, and so forth, shall be as specified in the rate table (non-operation charge), and the Rentee shall pay accordingly. This paragraph shall not apply if the Rentee and the driver are no-fault.

### Article 29 (Insurance and Compensation)

- If the Rentee is found to be liable for the damage described in Paragraph 1 of Article 28, insurance or compensation shall be paid in accordance with the nonlife insurance contract that Company A has signed concerning the rental car and the compensation system specified by Company A, within the following limits:
- (1) Personal compensation: Unlimited per person (including compulsory automobile liability insurance)
- (2) Property compensation: Unlimited per accident (\*deductible of 50,000 yen)
- (3) Bodily injury compensation: Up to 30 million yen per person
- (4) Vehicle compensation: Up to the current vehicle cost per accident (\*deductible of 50,000 yen)
- 2 If any of the immunity reasons in the insurance clause or the compensation system applies, the insurance or compensation described in Paragraph 1 shall not be paid.
- 3 If the Rentee or the driver violates the Rental Clause, the insurance or compensation described in Paragraph 1 shall not be paid.
- 4 The Rentee shall cover the damage for which insurance or compensation is not paid and for any damage that exceeds the insurance or the compensation paid in accordance with the provisions of Paragraph 1. However, for damage caused by a disaster designated as a heavy disaster in accordance with Article 2 of the Special Financial Aid Act for Heavy Disasters (Act No. 150 of 1962) (hereinafter referred to as a "heavy disaster") or for damage caused by a natural disaster similar thereto, the Rentee shall not be required to compensate for the damage, provided that, for example, the damage pertains to a rental car that has been lost or damaged or has suffered other damage in the area designated as having been affected by that heavy disaster, except if there is intent or gross negligence on the part of the Rentee or the driver with regards to the damage.

- 5 If Company A pays for the damage to be covered by the Rentee, the Rentee shall immediately reimburse Company A for that payment.
- 6 Damage equivalent to the insurance or compensation deductibles described in Subparagraph 2 or 4 of Paragraph 1 shall be covered by the Rentee. If, however, the Rentee has paid Company A the collision damage waiver fee in advance, damage equivalent to the deductibles shall be covered by Company A.
- 7 This compensation shall not apply to accidents that are not reported to the police or an office of Company A, accidents that fall under any of the subparagraphs of Article 9 after the rental, accidents that fall under any of the subparagraphs of Article 17, and accidents that occur in an extension to the rental period that the Rentee or the driver has implemented without the prior consent of Company A.
- 8 An amount equivalent to the insurance premium of the nonlife insurance contract described in Paragraph 1, as well as an amount equivalent to the fee for the subscription to the compensation system specified by Company A, shall be included in the rental fee.

## Chapter 8 Cancellation of the Rental Contract

### Article 30 (Cancellation of the Rental Contract)

- If the Rentee or the driver violates any of the provisions of this Clause during the period of use, or if he or she falls under any of the subparagraphs of Paragraph 1 of Article 9, Company A may cancel the rental contract without any notification or reminder and immediately demand the return of the rental car. Should this occur, Company A shall return the remaining rental fee that it has received from the Rentee minus the rental fee equivalent to the period from start to cancellation.
- 2 If the Rentee falls under the cancellation of the preceding paragraph, the Rentee shall compensate Company A for damages incurred by Company A.

### Article 31 (Midterm Cancellation)

- During the period of use, the Rentee may cancel the rental contract after obtaining the consent of Company A and paying the midterm cancellation fee described in the succeeding paragraph. Should this occur, Company A shall return the rental fee that it has received from the Rentee, minus that portion of the rental fee that corresponds to the period from the start of the rental to the return. This paragraph shall not apply if the detailed rules specify otherwise.
- 2 If the Rentee wishes to cancel the rental contract as specified in the preceding paragraph, he or she shall pay Company A the following midterm cancellation fee:
- Midterm cancellation fee = (Basic fee for the rental contract period) – (Basic fee for the period from the start of the rental to the return)) × 50%

## Chapter 9 Personal Information

### Article 32 (Purposes of the Use of Personal Information)

- Company A shall obtain and use personal information about the Rentee or the driver for the purposes described below.
- (1) Fulfill those matters required for the conditions required for obtaining a business license, such as preparing a rental certificate at the signing of a rental contract, as an operator granted a license for a rental car business in accordance with Paragraph 1 of Article 80 of the Road Transport Law.
- (2) Offer a rental car and other related services to the Rentee or the driver.
- (3) Identify and screen the rental applicant or the driver and examine whether to sign a rental contract at the signing of a rental contract.
- (4) Notify the Rentee or the driver of the rental cars, used cars, and other products with which Company A deals, the offering of services and the like related to these, and the organizing of various events and campaigns, with methods such as sending advertising printed matter and sending emails.
- (5) Conduct questionnaire surveys on the Rentee or the driver regarding the planning and development of products and services with which Company A deals or for the purpose of studying ways of improving customer satisfaction.
- (6) Tabulate and analyze personal information statistically to prepare statistical data that is processed in such a way that no individuals can be distinguished or identified from it.
- 2 If wishing to obtain personal information about the Rentee or the driver for purposes not described in any of the subparagraphs of Paragraph 1, Company A shall indicate the purpose of use in advance.
- 3 The Rentee or the driver shall agree to the sharing of personal information about the Rentee or the driver with Eki Rent-a-car System Co., Ltd. and its franchisees and, in the case of a rental by proxy, with the rental car company supplying the rental car pursuant to the provisions of Paragraph 1 of Article 34, for the purposes described in the subparagraphs of Paragraph 1.

### Article 33 (Consent to the Registration and Use of Personal Information)

- If the Rentee or the driver falls under any of the subparagraphs below, he or she shall agree that personal information related to him or her, including his or her name, address, date of birth, and driving license number, will be registered in the Zenrekyo system, etc. for a period not exceeding seven (7) years and that the information will be used by the All Japan Rent-a-Car Association (general incorporated foundation), its individual rental car associations, and the rental car companies that are members of these associations for the purpose of screening before the signing of a rental contract.
- (1) Company A is ordered to pay a delinquency fine in accordance with Article 51.4. (1) of the Road Traffic Law.
- (2) The Rentee or the driver has not paid Company A the illegal parking expenses stipulated in Paragraph 5 of Article 18.
- (3) Company A deems that the rental car will not be returned, as described in Paragraph 1 of Article 23.

## Chapter 10 Miscellaneous

### Article 34 (Rental by Proxy)

- Notwithstanding the provisions of Paragraph 1 of Article 8, Company A may request that another rental car company supply a rental car and then rent it to the Rentee. In such a case, Company A shall comply with the matters listed below. (This is referred to as a "rental by proxy.")
- (1) If, in the event of problems such as accident or breakdown, the application of the Rental Clause of Company A is more advantageous to the user than the application of the rental clause of the company supplying the rental car, the Rental Clause of Company A shall apply.
- (2) The rental certificate shall be in the special format specified in Paragraph 3.
- (3) The rental clause of the rental car company supplying the car shall be attached.
- 2 In the case of a rental by proxy, the rental clause of the rental car company supplying the rental car shall apply, except for the case mentioned in (1) of the preceding paragraph.
- 3 In the case of a rental by proxy, the "rental certificate" specified in the Basic Instructions shall be either in the format specified by the company supplying the rental car or in the format for a rental by proxy that is specified separately by Company A.
- 4 If, in the case of a rental by proxy, breakdown or any other problem occurs with the rented vehicle, Company A shall cooperate with the repair and other necessary procedures implemented by the company supplying the vehicle in the same way as when Company A rents a rental car available to it, and shall implement measures for ensuring the convenience of the Rentee or driver.

### Article 35 (GPS System)

- The Rentee and the driver acknowledge and agree that the rental car may be equipped with a global positioning system (hereinafter referred to as "GPS System"), that current location, traffic route, etc. of the rental car will be recorded on the system prescribed by the Company A, and that the Company A may use such recorded information for the following purposes.
- (1) To confirm the return of the rental car to the specified place upon the termination of the rental contract.
- (2) To confirm the current location, etc. of the rental car when Paragraph 1 of Article 25 is applicable or otherwise when necessary for the management of the rental car or the performance of the rental contract, etc.
- (3) To use for the improvement of the quality of products, services, etc. provided to the Rentee and the driver and marketing analyses for the improvement of customer satisfaction, etc.
- 2 The Rentee and the driver acknowledge and agree that, if the Company A is required to make disclosure under laws and regulations or receives disclosure requests or orders from courts, administrative bodies or other public agencies with respect to the information recorded by the GPS System referred to in the preceding paragraph, the Company A may disclose such information within the extent necessary.

### Article 36 (Dashboard Camera)

- The Rentee and the driver acknowledge and agree that the rental car may be equipped with a dashboard camera, that the driving conditions of the Rentee and the driver will be recorded, and that the Company A may use such recorded information for the following purposes.
- (1) To confirm the circumstances of an accident when an accident occurs.
- (2) To confirm the driving conditions of the Rentee and the driver when necessary for the management of the rental car or the performance of the rental contract, etc.
- (3) To use for the improvement of the quality of products, services, etc. provided to the Rentee and the driver and marketing analyses for the improvement of customer satisfaction, etc.
- 2 The Rentee and the driver acknowledge and agree that, if the Company A is required to make disclosure under laws and regulations or receives disclosure requests or orders from courts, administrative bodies or other public agencies with respect to the information recorded by the dashboard camera referred to in the preceding paragraph, the Company A may disclose such information within the extent necessary.

### Article 37 (Offsetting)

- If Company A has monetary obligations to the Rentee under this Clause, Company A may offset them with the monetary obligations that the Rentee has to Company A at any time.

### Article 38 (Consumption Tax)

- The Rentee shall pay Company A the consumption tax (including the local consumption tax) imposed on the transaction under this Clause.

### Article 39 (Delay Damages)

- If failing to fulfill their respective monetary obligations under this Clause, the Rentee or the driver and Company A shall pay the other party 14.6% annum of unpaid amount as delay damages.

### Article 40 (Governing Law)

- Japanese law shall be the governing law.
- 2 If the Clause in the foreign language is contradictory to the Clause in Japanese, the Clause in Japanese shall take priority.

### Article 41 (Clause and Detailed Rules)

- Company A may separately establish detailed rules for this Clause. Such detailed rules shall have the same effect as this Clause. Company A may revise the Clause and the detailed rules without prior notice.
- 2 If Company A revises the Clause and the detailed rules or separately establishes detailed rules, Company A shall display them in its outlets or describe them in the pamphlets that Company A issues, the rate table, website, or the like. This paragraph shall also apply if changes are made to the detailed rules.

### Article 42 (Jurisdictional Court)

- If any disputes arise concerning the rights and obligations specified in this Clause, the competent court shall be the summary court that has jurisdiction over the location of the main office, branch, or business office of Company A, regardless of the amount claimed.

## Supplementary Provisions

This Clause shall be effective as of August 1, 2019.