

# Town Gas Supply — General Terms and Conditions

## 1. Gas Account Bills

The Hong Kong and China Gas Company Limited (hereinafter called “the Company”) will calculate the town gas charges covered for each month in accordance with the Company’s published tariff for the time being in force.

The Company will issue town gas bills to residential customers once every two months. Each bi-monthly bill will contain a breakdown of the monthly charges in respect of each individual month.

The gas account bill is payable on or before the payment due date as stated on the bill.

The Company may, if it considers appropriate, also issue a special and/or final account bill setting out the amount payable in respect of the period covered by such bill.

In accordance with the policy of the Company, if any customer fails to pay the gas bill on or before the relevant payment date as stated on the bill, the Company may discontinue the supply of gas to such customer without further notice. In addition, the Company will reserve its rights to claim for the outstanding amount, including the disconnection charges, from such customer. The Company will charge a fee for reconnecting the supply of town gas to the customer.

## 2. Gas Tariffs and Other Charges

The Company reserves the right to alter the gas tariffs, and to include or exclude any other chargeable items when calculating the charges payable under the gas account bills.

## 3. Access to Premises

The customer shall agree to allow the Company’s employees or agents to enter the customer’s premises for the purposes of recording the readings of the gas meter, inspecting the gas meter, removing all or any part of the gas installation, or carrying out any work thereon as considered necessary by the Company.

## 4. Security Deposit

The Company reserves the right to require the customer to deposit any amount as security for all sums of money payable by the customer to the Company and for the maintenance of the Company’s property on, over or under the customer’s premises.

## 5. Interest on Deposit

Any interest accrued on cash deposits received from a customer will be credited to such customer’s account on 1st January every year. Interest for the relevant period will be calculated based on the interest rates as determined by the Company at its sole discretion and published by the Company from time to time. If an account is closed by a customer before 31st December in the relevant year, interest will be calculated on a pro-rata basis up to the date of closure of the account. Interest on cash deposits will cease to accrue after closure of the account.

## 6. Refund of Security Deposit

The security deposit, together with interest thereon, is not transferable and is refundable to the registered gas account holder only upon full and final settlement of all outstanding amounts by the customer. For a residential customer, the security deposit, together with interest thereon, will be used to set off the total outstanding amount payable by the customer in the final gas bill, and any remaining amount of the security deposit will be refunded to the registered gas account holder. The customer is not required to return the deposit receipt to the Company.

For a commercial or industrial customer, the Company will, upon written request, refund any remaining security deposit together with interest thereon to the registered account holder by cheques after all outstanding amounts due to the

Company have been paid. The Company will not issue any duplicate copy of deposit receipts in respect of any security deposit.

The decision of the Company as to whether a customer is a residential or commercial or industrial customer shall be final and binding on the customer.

## 7. Records of Gas Meters

In order to determine the quantity of town gas used, gas meter(s) will be installed on the customer’s premises or at such other place(s) as the Company may consider appropriate.

The gas meter(s) will remain the Company’s property and is/are held by the customer at such customer’s own risk as bailee. The customer shall return such gas meter(s) to the Company upon demand in good condition, and shall indemnify the Company against all losses arising from the loss, theft of, or damage to such gas meter(s) (whether or not such loss, theft or damage was caused wholly or partly by the customer’s default or negligence). The quantity of town gas used or consumed for billing purposes will be based on the readings as indicated on the Company’s gas meters or indicators.

In the event that a gas meter or indicator has not been read, the Company reserves the right to estimate the quantity of town gas supplied to the customer or rely on the readings of the gas meter as reported by the customer for the purposes of calculating the town gas charge for the customer. Any such estimation will be rectified once the gas meter or indicator has been actually read by the employees of the Company, with the appropriate adjustment to be made in the account following the actual reading.

## 8. Accuracy of Gas Meters

Should the customer doubt the accuracy of the gas meter, the Company will, after receiving due notice from the customer, carry out a test to check whether the accuracy of the gas meter lies within the permissible variation limit from time to time stipulated under the OIML (The International Organization of Legal Metrology) International Recommendation for gas meters (such limit currently being plus or minus 3% of the gas consumed). The customer shall pay the Company such test fee charged by the Company if the accuracy of the meter is within the permissible variation limit.

## 9. Adjustment of Charges

- (a) If there is a dispute on the accuracy on a gas meter while such gas meter is operating normally (i.e. it has not been subject to any abnormal conditions such as damage, attack by vermin or tampering), and the gas meter is found to be beyond the scope of accuracy as stipulated in Clause 8 above, the Company will make a retrospective adjustment to the customer’s account for a period not exceeding 6 months.
- (b) If a gas meter is not functioning and has not recorded any reading as a result, the customer shall still be required to pay for the town gas used or consumed during the period in which the gas meter has ceased to record any reading. The adjustment will be based on the average quantity of town gas actually used or consumed by the customer prior to the date of malfunctioning of the gas meter, or after the date when the gas meter has been replaced or repaired at the option of the Company.
- (c) Where a customer has been undercharged or overcharged as a result of incorrect meter reading, incorrect connection of a gas meter or for any other reason, but excluding the situation described in Clause 9(a) above, relevant adjustment will be made to the customer’s account for a retrospective period up to a date which is determinable by the Company.

## 10. Calorific Value

The supply of town gas is charged to the customers based on the level of megajoules being consumed. The calorific value as specified by the Company from time to time will be used as the standard for the measurement unit of town gas. The charge for each measurement unit of town gas shall be subject to adjustment in the event of any alteration in the specified calorific value of town gas supplied.

## 11. Notice of Removal

The customer must give two working days’ prior notice to the Company before permanently vacating such customer’s premises in order to facilitate the Company to make gas termination arrangement inside the premises. Failure to do so will render the outgoing customer or the registered gas account holder liable for town gas consumed by the successor in the same premises. Under normal circumstances, no charge will be made for the disconnection of the gas supply. However, the Company reserves the right to set off any security deposit paid by the customer against any charges or collect charges for the disconnection of the gas supply that was carried out under abnormal circumstances.

## 12. Force Majeure

In the event of any cause beyond the Company’s control including, but not limited to earthquake, typhoon, storm, flood, fire, other natural disasters, accidents, strikes or lock-outs (whether the same is caused by the employees of the Company or the customer or a third party), difficulties in obtaining raw materials, fuel, or machinery parts, power failure, machinery breakdowns (which is not caused by the Company’s gross negligence), emergencies of war, and interference of government authorities, which prevents or impede the supply of town gas to the customer, the Company shall not be liable to the customer or deemed to be in breach of its agreement with the customer and the customer shall not make any claim for damages or make any other claims including consequential loss against the Company.

## 13. Liability for Negligence

Except in respect of any liability of the Company for death or personal injury resulting from the Company’s negligence, the Company shall not be liable to the customer for any consequential loss or damage, costs, expenses or other claims for consequential compensation whatsoever, whether caused by the negligence of the Company, its employees or agents, which arises out of or in connection with the supply of town gas by the Company.

## 14. Customers’ Liability

For the avoidance of doubt, the customer shall be liable for all charges and fees payable to the Company in respect of the gas account(s) opened in the customer’s name, and the customer shall pay all such charges and fees regardless of whether the town gas supplied was consumed by the customer and/or other person(s).

## 15. Right to Revise Terms and Conditions

The Company reserves the right to alter, add to or delete any of these Terms and Conditions at any time without giving prior notice to the customer. The customer agrees that the use (whether or not by the customer) of town gas supplied will constitute the customer’s acceptance of these Terms and Conditions (as amended from time to time).

## 16. Effective Date and Previously Published Terms & Conditions

These Terms and Conditions have taken effect on 1st October 2006 and have superseded and replaced all previously published Terms and Conditions of the Company.

## 17. Assignment to Subsidiaries and Associated Companies

The Company is entitled to transfer and/or assign all or any of its rights and obligations hereunder to any of its subsidiaries or associated companies from time to time without the consent of the customer.

## 18. Governing Law

These Terms and Conditions shall be governed by and construed in accordance with the laws of Hong Kong.

## 19. Language

These Terms and Conditions are written in both English and Chinese. In the event of a conflict between the two versions, the terms of the English version shall prevail.