

# RightDrive Inc “The Portal Program” Agreement

**WHEREAS** Right Drive Inc. (hereinafter the “Agent”), a corporation incorporated and subsisting under the laws of the Province of Ontario, is a duly licenced motor vehicle dealer with its place of business in the City of Pickering, Ontario;

**AND WHEREAS** the Agent specializes in locating, purchasing and importing used vehicles from locations around the world;

**AND WHEREAS** the Buyer is desirous of locating a specific vehicle and is agreeable to engaging the services of the Agent for such purpose of procuring;

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency is acknowledged by the Agent and Buyer (hereinafter each a “party” and collectively the “parties”), the parties agrees to the following terms and conditions:

## **PART 1 – LOCATING AND SELECTING A VEHICLE**

**(1) PORTAL SERVICE:** The Buyer agrees to engage the Agent to locate used vehicles in accordance with the Buyer’s requirements, parameters and criteria including but not limited to make, model, price, mileage, colour, condition and equipment (hereinafter the “Portal Service”).

**(2) CONSIDERATION:** The Buyer shall provide the Agent with an initial Portal Entrance Fee of: ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500.00), (hereinafter the “Fee”) by one of the payments acceptable to the Agent as provided for in Paragraph 5(1) The Agent shall credit the Fee towards the vehicle purchase price payable by the Buyer upon completion and execution of a used vehicle bill of sale.

**(3) DURATION OF PORTAL SERVICE:** The Portal Service shall commence on the next Business Day after the deposit has been received by the Agent and continue for a period of ONE HUNDRED AND EIGHTY (180) days (hereinafter the “Portal Service Period”). Upon written instructions from the Buyer, the Portal Service may be extended for additional periods.

**(4) SEARCH PROCESS:** During the Portal Service Period, the Agent shall diligently search for and locate potentially suitable vehicles, including but not limited to auction services, dealers, advertised sales and through the Agents’ contacts.

**(5) NOTIFICATIONS:** During the Portal Service Period, the Agent shall notify the Buyer of any vehicle(s) which falls substantially within Buyer’s requirements, parameters and criteria in a timely manner, along with any details of such vehicles as and when available to the Agent. The Buyer agrees to receive such communications from the Agent, including but not limited to via phone call, text message, electronic mail or website access.

**(6) PRELIMINARY COMMITMENT:** If the Buyer wishes to purchase any vehicle from the Portal Program, the Buyer must notify the Agent in writing (hereinafter the “Preliminary Commitment”) of the Buyer’s intention to purchase such vehicle (hereinafter the “Prospective Vehicle”) as soon as possible. Each party understands and acknowledges the Preliminary Commitment is an expression of the Buyer’s intention to proceed and does not constitute a binding agreement to purchase the Prospective Vehicle.

**1.** It is the Buyers responsibility to request additional information/inspection about a specific motor vehicle. Further details may or may not be available. There is no guarantee as to how quickly inspections can occur as proximity and dealer availability can cause unforeseen delays.

**(7) ESTIMATED PURCHASE PRICE:** Upon receiving the Preliminary Commitment, the Agent shall forthwith provide the Buyer with an estimate of the purchase price of the Prospective Vehicle (hereinafter the “Estimated Purchase Price”). The Buyer acknowledges that such estimate includes costs which are beyond the Agents control (i.e. currency exchange rate, vehicle acquisition cost at auction, shipment fees, inspection fees, etc.) and agrees the total amount payable for the Prospective Vehicle payable by the Buyer (hereinafter the “Final Purchase Price”) may vary from the Estimated Purchase Price by PLUS OR MINUS FIVE PERCENT (+/- 5%).

**(8) BINDING COMMITMENT:** If the Buyer wishes to purchase the Prospective Vehicle at the Estimated Purchase Price (plus or minus 5% as stated above), the Buyer must notify the Agent in writing (hereinafter the “Binding Commitment”) of the Buyer’s intention to purchase such vehicle (hereinafter the “Purchased Vehicle”) as soon as possible. Each party understands and acknowledges the Binding Commitment constitute a final, binding and legally enforceable agreement to purchase the Purchased Vehicle. The Agent shall immediately prepare a motor vehicle bill of sale and the Buyer must return a signed copy within TWENTY FOUR HOURS (24 hours) of receipt.

**(9) PAYMENT DUE:** The Buyer shall, within TWO (2) Business Days of providing the Binding Commitment, tender the balance of the Estimated Purchase Price (i.e. Estimated Purchase Price minus Deposit) to the Agent by one or more of the following:

- a) delivery of funds by one of the payments accepted by the Agent as provided for in paragraph 5(1);
- b) delivery of financing documents satisfactory to the Agent;
- c) in the event that the Agent has agreed to accept a trade-in vehicle from the Buyer, the surrender of such trade-in vehicle to the Agent, provided that any previously discussed or assessed trade-in value may be adjusted by the Agent to take into account any variation in the condition or worthiness of such trade-in vehicle at the time of surrender.
- d) Any vehicle you trade-in shall be equipped and in the same condition, other than reasonable wear and tear, at the time of delivery to the dealer, as it was at the date of this agreement. You agree to be responsible for any repairs or maintenance needed to maintain this condition until the delivery date. If the trade-in vehicle has been damaged between the date of this agreement and the delivery date, or is in need of repair, the dealer may cancel this agreement and deduct any damages from the deposit or, if you agree, may reduce the amount of the trade-in allowance to compensate for the repairs needed. You also agree that you will be liable to compensate the dealer for any loss suffered because of any misrepresentation about the declared distance travelled, the declared prior use, or the condition of the vehicle traded-in.+

**(9) 1. PAYMENT DUE (FINANCING)** The Buyer must submit all documentation that financing has been arranged **BEFORE** the Portal is officially opened to ensure financing is in place.

In the event that financing is to be provided by the Agent or through one of its approved lenders, a financing application must be fully filled out and submitted to the Agent prior to the Portal initiation date. **All financing documentation is required to be completed prior to the vehicle departing from its source country**, and will not be authorized for departure until all of the necessary paperwork has been completed. This may result in payments being made on said vehicle prior to its arrival, and these payments will not be reimbursed, as they are going solely towards the outstanding loan balance owed. **Your loan may commence from the date of acquisition of the vehicle from the source country.** As there may be a significant period of time between when a Portal is activated and when a vehicle is delivered, financing applications of this nature can only be received in good faith and preapproved on the notion that truthful data to the best of the client's ability has been submitted for consideration. All financing applications must be concise, accurate and honest. Failure to truthfully disclose any financial issues or complications at the time of Portal activation that may result in an application decline upon delivery or at any time throughout the Portal process will result in the forfeiture of the vehicle deposit in full. In matters of gross negligence, the buyer agrees to reimburse the Agent for any losses incurred with the resale of the vehicle.

Upon receipt of the balance of the Estimated Purchase Price, the Agent shall forthwith acquire the Purchased Vehicle on the Buyer's behalf.

**(10) NOTICE OF SUCCESSFUL ACQUISITION:** The Agent shall forthwith notify the Buyer in writing (hereinafter "Notice of Successful Acquisition") when the Purchased Vehicle has been successfully acquired on the Buyer's behalf. Upon the issuance of a Notice of Successful Acquisition, the Agent shall have fully and completely discharged the Portal Services and the Portal Services period shall be at an end.

**(11) NOTICE OF UNSUCCESSFUL ACQUISITION:** The Buyer acknowledges that unless and until the Purchased Vehicle has been successfully acquired, the Agent cannot guarantee that the Purchased Vehicle is available to be acquired due to its overseas location and the time difference. The Agent shall forthwith notify the Buyer in writing (hereinafter "Notice of Unsuccessful Acquisition") in the event the Purchased Vehicle is no longer available to be acquired, or if the cost of acquiring the Purchased Vehicle will cause the Estimated Purchase Price to increase by more than FIVE PERCENT (5%). The Agent shall forthwith return the balance of the Estimated Purchase Price to the Buyer, and the Buyer shall be released from the Binding Commitment for such Purchased Vehicle.

**(12) END OF PORTAL SERVICES PERIOD:** The Portal Services Period shall be at end:

- a) where the Portal Services Period has expired and a Notice of Successful Acquisition has not resulted, on the day that the Portal Services Period expires.
- b) where the Portal Services Period has been terminated prior to expiry by either party, on the SEVENTH (7<sup>th</sup>) day after notice of termination in writing has been given by one party to the other party.

**1.** The Agent shall return the balance of the Deposit to the Buyer within THIRTY (30) Days after deduction of the Agents liquidated damages and expenses for the Portal Services calculated as follows:

- i) the sum of FIVE HUNDRED DOLLARS (\$500.00) for account set up, plus
- ii) the sum of FORTY DOLLARS (\$40.00) for each suitable vehicle located.

## **PART 2 – IMPORTATION INTO CANADA**

(1) **IMPORTATION SERVICE:** The Buyer agrees to engage the Agent to transport and import the Purchased Vehicle from source country to Canada. (hereinafter the “Importation Service”).

(2) **TRANSPORTATION LOGISTICS:** The Purchased Vehicle shall be transported from source country to Canada by sea via container ship. The Purchased Vehicle will then be transported to the Agents premises by inland freight via train and/or truck at the Agent’s discretion.

(3) **CUSTOMS BROKERAGE:** The Buyer hereby appoints the Agent as its agent for the purposes of making any and all necessary statements and declarations to relevant government authorities in order to import the Purchased Vehicle into Canada, including but not limited to acting as customs broker and payment of necessary import duties and taxes.

(4) **TIMELINES:** The estimated shipping time from Japan CANNOT be guaranteed. Transportation costs are calculated based on the shipping of multiple vehicles within one container and the need to accumulate vehicles for such purpose may cause delays. The transoceanic voyage to Vancouver takes approximately TWENTY-NINE (29) days. Customs clearing and processing delays may occur at the point of importation. Once the Purchased Vehicle is released by the relevant authorities, the voyage within Canada takes approximately TEN (10) days. Services required to make the Purchased Vehicle complaint may take several weeks depending on local parts availability. The Buyer acknowledges that expected timelines are subject to unforeseen delays and cannot be guaranteed by the Agent.

(5) **BODY DAMAGE:** If, upon arrival at the Agent’s premises, the Purchased Vehicle presents any body damage, large rust spots, or paint scratching/scuffing that penetrates the paint to the primer or deeper which was not previous known or disclosed when the Binding Commitment was made by the Buyer, the Agent shall have same professionally repaired at no additional cost to the Buyer. For vehicles that have received aftermarket paint, any form of paint correction or body blemishes underneath the aftermarket paint correction are considered to be restorative in nature, and therefore out of scope of structural integrity/Agent's guarantee.

(6) **INSURANCE:** The Agent shall, at the Agent’s own at expense, fully insure the Purchased Vehicle at all times prior to delivery to the Buyer. The Agent’s current insurers are CWA Oceanic Insurance and Northbridge Insurance (once the vehicle is at the Right Drive premises).

## **PART 3 – VEHICLE DELIVERY**

(1) **FINAL INVOICE:** Once the Purchased Vehicle has been successfully imported and released by the relevant authorities at the point of importation, the Agent may provide a final invoice containing the Final Purchase Price to the Buyer. The Agent shall act in good faith to minimize any increase to the Estimated Purchase Price. The Agent agrees to subsidize any unforeseen costs where possible and in no event shall the Final Purchase Price be greater than the Estimated Purchase by FIVE PERCENT (5%). The Agent agrees to provide a detailed breakdown of any price increases in writing to the Buyer along with reasonable evidence thereof.

(2) **NOTICE OF READINESS:** The Agent shall provide the Buyer with notice in writing the vehicle is ready for delivery (hereinafter the “Notice of Readiness”). The Buyer shall then arrange a mutually agreeable day and time for delivery of the Vehicle which is no later than SEVEN (7) days after the date on which the Notice of Readiness is provided. If the vehicle is not collected, outdoor storage in the amount of \$189.00 CDN per month will be charged pursuant to the Repair and Storage Liens Act R.S.O. 1990

(3) **AUTOMOBILE INSURANCE:** The Buyer shall provide confirmation of compulsory automobile insurance forthwith after receiving the Notice of Readiness in order to enable the Agent to register the vehicle. The Buyer acknowledges having been advised by the Agent that many mainstream automobile insurers do not cover right hand drive vehicles.

(5) **PAYMENT OF BALANCE:** Before delivery of the Purchased Vehicle, the Buyer shall tender any portion of the Final Purchase Price which is in excess of the Estimated Purchase Price already paid by the Buyer, along with any payments for additional parts or services authorized by the Buyer. In the event that the Estimated Purchase Price already paid by the Buyer is greater than the Final Purchase Price, the Agent shall tender such excess amount to the Buyer at the time of delivery of the Purchased Vehicle.

**(6) VEHICLE WARRANTY:** Unless otherwise stated on the bill of sale, the vehicle comes with implied warranty as required by applicable law. The Buyer acknowledges the vehicle is 15+ years old and may require restoration and/or additional repairs at the discretion and expense of the customer. Performance parts are not guaranteed. Extended warranty coverage may be available for additional fees

**(7) DELIVERY TO THE BUYER:** At the time of delivery, the Agent shall provide to the Buyer the Purchased Vehicle in a clean condition (interior, exterior and engine bay).

#### **PART 4 – LIMITATIONS ON LIABILITY**

**(1) VARIATIONS FROM CRITERIA:** The Buyer's Binding Commitment shall constitute the Buyer's acceptance of any variation of the Purchased Vehicle from the Buyer's previously expressed requirements, parameters and criteria including but not limited to make, model, price, mileage, colour, condition and equipment.

**(2) SPECIFICATIONS AND AFTERMARKET PARTS:** The Agent acknowledges the Buyer is looking for a clean and good running order vehicle even if it is modified upon arrival. The Agent acknowledges the Buyer prefers a vehicle with the following Aftermarket Parts as stated above. Although these parts are preferred, the Buyer acknowledges that they cannot be guaranteed, and a stock model will still fulfill the original engagement, unless otherwise agreed.

**(3) VEHICLE CONDITION:** The Agent shall disclose vehicle condition and material facts to the Buyer to the best of its ability and act in good faith based on the information available through the country of origin, or any other vehicle sale system use for vehicle purchase. The Buyer acknowledges that vehicle grade and condition are provided by independent third parties and cannot be verified, corroborated or guaranteed by the Agent unless otherwise stated. The Buyer acknowledges that as a used automobile that is equal to, or in excess of FIFTEEN (15) years old, the Purchased Vehicle may have minor paint scratches and scuffs, general plastic oxidization and normal wear and tear on both interior and exterior components. Notwithstanding the foregoing, the Agent shall use reasonable efforts to ensure the Purchased Vehicle will be as close to the represented tolerance.

**(4) RECALLS:** The Buyer understands and acknowledges the motor vehicle may not have undergone recalls in the country of origin. In the event that different or additional recalls are required in North America, the Purchased Vehicle may NOT be eligible for a free dealer recall service in North America. It is at the Buyers responsibility and expense to perform all necessary safety recall repairs.

#### **PART 5 – GENERAL TERMS**

**(1) PAYMENTS:** Any payments to the Agent required by this Agreement made be made by cash [up to certain amounts], certified cheque, bank drafts, EMT, PayPal, and major credit cards. Payments greater than FIVE THOUSAND DOLLARS (\$5000) may be subject to administration fees.

**(2) RECORD KEEPING:** The Agent agrees to retain any and all communications, notes and documents in connection with the purchase and sale of the Purchased Vehicle for a period of up to six (6) years after the purchase has been completed. The Agent shall retain and dispose of all records in compliance with applicable privacy laws.

**(3) JURISDICTION:** This Agreement shall be governed by and construed in accordance with the laws of Ontario.

**(4) SEVERABILITY:** If any provision of this Agreement is determined to be invalid, illegal, or unenforceable, it shall not affect the enforceability of any other provision of this Agreement.

**(5) ONLINE EXECUTION:** This Agreement may be executed and exchanged by the way of facsimile transmission or email attachment and in counterparts and that each Party may accept and rely upon same as if it contained an original signature and such signature shall have the same force and effect as an original.

#### **PART 6 – CONSIGNMENT**

**1. CONSIGNMENT:** Although resale value is difficult to determine or predict, the Agent agrees to accept the Purchased Vehicle to be sold on consignment at any time at the Agent's facility located in Pickering Ontario for equal to or greater than the Final Purchase Price if so requested by the Buyer.

**2. FEES:** The Agent agrees not to charge the Buyer any storage or handling fees, regardless of the time spent in Consignment. At the time of sale, the Buyer agrees to pay a Commission of FIVE HUNDRED DOLLARS (\$500.00) plus a Consignment Fee equal to TWO AND ONE-HALF PERCENT (2.5%) to cover all advertising, detailing, insurance and representation costs associated with selling a consignment vehicle. The Agent agrees to waive both fees if the Purchased Vehicle is traded in towards another vehicle sold by the Agent.

## **US ADDENDUM**

For US Customers, regardless of customer desire or demand, the vehicle can only travel to the United States once the vehicle is legally eligible for travel based on its month and year of manufacture according to applicable legislation. Shipping timelines are not guaranteed and length of time of shipment to be received cannot be used as a reason for a cancellation of sale.