

Rental Agreement Terms and Conditions (“Terms and Conditions”)

1. **Definitions. “Agreement”** means all terms and conditions found in these Terms and Conditions and the Rental Agreement Face Page. **“You” or “your”** means the person identified as the renter in this Agreement, any person signing this Agreement, any Authorized Driver and any person or organization to whom charges are billed by us at its or the renter’s direction. All persons referred to as “you” or “your” are jointly and severally bound by this Agreement. **“We,” “our” or “us”** means Bayonne Auto Rental Inc. **“Charges”** means the fees and charges that are incurred under this Agreement. **“CDW”** means Collision Damage Waiver. **“Collision Damage”** means damage to, or loss of, the Vehicle caused by collision or upset. Collision Damage does not include comprehensive damage such as damage to or loss of the Vehicle due to theft, vandalism, act of nature, riot or civil disturbance, hail, flood or fire or other loss not caused by collision or upset. **“Diminished Value”** means the difference between the fair market value of the Vehicle before damage or loss and its value after repairs as calculated by a third-party estimate obtained by us or on our behalf. **“Loss of Use”** means the loss of our ability to use a Vehicle for our purposes because of Vehicle damage or loss during a Rental Period, including use for rent, display for rent and/or sale, opportunity to upgrade or sell, or transportation of employees. **“Rental Period”** means the period between the time that you take possession of the Vehicle and the time that the Vehicle is either returned to or recovered by us and checked in by us. **“Vehicle”** means the automobile or truck identified in this Agreement and any vehicle we substitute for it, and all its tires, tools, accessories, equipment, keys and Vehicle documents.

2. **Nature of Rental; Condition and Return of Vehicle.** This is a contract for the rental of the Vehicle only. You do not have the right to sublease the Vehicle. You must return the Vehicle to our rental office or other location we specify, on the date and time noted in this Agreement and in the same condition that you received it except for ordinary wear. To extend the Rental Period, you must first obtain our approval by contacting our rental office before the due-in date. If the Vehicle is returned after closing hours, you remain responsible for all loss of or damage to the Vehicle until we inspect it upon our next opening for business (regardless of when such loss or damage occurred), and Charges may continue to accrue until that time. Service to the Vehicle or replacement of parts or accessories during the Rental Period must have our prior written approval. You must check and maintain all fluid levels, and return the Vehicle with at least the same amount of fuel as when rented unless you purchase a prepaid fuel option. To the fullest extent permitted by law, we may repossess the Vehicle at your expense without notice to you, if the Vehicle is abandoned or used in violation of law or this Agreement.

3. **Authorized Driver.** The Vehicle may only be driven by an “Authorized Driver.” If the rental originates in New Jersey or is for use of a Vehicle designed primarily for the transportation of property, “Authorized Driver” means the renter and an additional driver approved and listed by us on this Agreement, provided that each such person has a valid driver’s license and is at least age 25. For rentals originating in New York that are for use of vehicles designed primarily for the transportation of passengers (“New York Passenger Vehicle Rentals”), “Authorized Driver” means the renter, the renter’s spouse, and an additional driver approved and listed by us on this Agreement, provided that each such person has a valid driver’s license and is at least age 25 (or at least 18 for the renter and the renter’s spouse), as well as any person who operates the Vehicle during an emergency situation to a medical facility is also an Authorized Driver.

4. **Indemnity; No Warranties.** To the fullest extent permitted by law: (a) you agree to indemnify us, defend us and hold us harmless from all judgments, claims, liability, costs and attorney fees we incur resulting from, or arising out of, this rental, your use of the Vehicle or our repossession of it, and/or your use of optional equipment (“Optional Equipment”); and (b) we make no warranties, express, implied or apparent, regarding the Vehicle or Optional Equipment that we rent to you for use in the vehicle, no warranty of merchantability and no warranty that the Vehicle or Optional Equipment is fit for a particular purpose.

5. **Responsibility for Damage or Loss; Reporting to Police.** You must report all accidents or incidents of theft and vandalism to us and the police as soon as you discover them. (A) Unless otherwise limited by paragraph 5(B), you are responsible for all damage to or loss or theft of the Vehicle during the Rental Period, regardless of fault, resulting from any cause, including damage caused by collision, weather, vandalism, theft, road conditions and acts of nature. Your responsibility will include: (a) all damage to the Vehicle measured as follows: (i) if we determine that the Vehicle is a total loss, the fair market value of the Vehicle, less salvage; (ii) if we determine that the Vehicle is repairable: (A) the difference between the value of the Vehicle immediately before the damage and the value immediately after the damage; or (B) the reasonable estimated retail value or actual cost of repair plus Diminished Value; (b) Loss of Use, measured by multiplying your daily rental rate by either the actual or estimated number of days from the date the Vehicle is damaged until it is replaced or repaired, which you agree represents a reasonable estimate of Loss of Use damages and not a penalty. **Loss of Use shall be payable regardless of fleet utilization;** (c) a reasonable administrative fee, calculated based on the damage repair estimate as follows, which you agree is reasonable: \$0-\$250 damage=\$50 fee; \$251-\$500 damage=\$75 fee; \$501-\$750 damage=\$100 fee; \$751-\$1500 damage=\$150 fee; \$1501-\$2500 damage=\$200 fee; over \$2500 damage=\$250 fee;; (d) towing, storage, and impound charges and other reasonable incidental and consequential damages; and (e) all costs associated with our enforcement of this Agreement. You must report all accidents or incidents of theft and vandalism to us and the police as soon as you discover them.

(B) For New York Passenger Vehicle Rentals, your responsibility for damage or loss of the Vehicle is governed by the following paragraph instead of subparagraph 5(A) above (all other rentals are subject to subparagraph 5(A)):

You are responsible for (a) all physical damage to the Vehicle (other than “normal wear and tear” as defined by NY Gen. Bus. Law §396-z), whether or not you are at fault; (b) mechanical damage to the Vehicle (other than mechanical damage that could reasonably be expected from normal use of the Vehicle); and (c) theft of the Vehicle if established that an Authorized Driver failed to exercise reasonable care or that an Authorized Driver committed, aided, or abetted in the theft. Your responsibility for physical and mechanical damage will not exceed the lesser of: (a) the cost to repair the Vehicle including all discounts and price adjustments available to us plus costs for towing, storage, and impound where applicable; (b) the reasonable costs that would have been incurred to repair the Vehicle if we elect not to repair; or (c) the fair market value of the Vehicle immediately before the damage (as determined in the applicable market for the retail sale of the Vehicle), less net disposal proceeds. Your responsibility for theft of the

Vehicle will not exceed the reasonable costs incurred by us for the loss, up to the Vehicle’s fair market value (as determined by the applicable market for the retail sale of the Vehicle). You must report all accidents or incidents of theft and vandalism to us and the police as soon as you discover them.

6. **Prohibited Uses; CDW.** The following uses of the Vehicle are prohibited and are material breaches of this Agreement (“Prohibited Use”). **The Vehicle shall not be used: (a) by anyone who is not an Authorized Driver, or by anyone whose driving license is suspended; (b) by anyone under the influence of alcohol or illegal, prescription, or non-prescription drugs; (c) by anyone who obtained the Vehicle or extended the rental by giving us false, fraudulent or misleading information; (d) in furtherance of any illegal purpose or under any circumstance that would constitute a felony or other violation of law (other than a minor traffic violation); (e) to carry persons or property for hire; (f) to push or tow anything; (g) in any race, speed test or contest; (h) to teach anyone to drive; (i) to carry dangerous or hazardous items or illegal materiel; (j) outside any geographic area described elsewhere in this Agreement; (k) on unpaved roads; (l) to transport more persons than the Vehicle has seat belts, or to carry persons outside the passenger compartment; (m) to transport children without approved child safety seats as required by law; (n) when the odometer has been tampered with or disconnected; (o) when it is reasonable for you to know that further operation would damage the Vehicle; (p) with inadequately secured cargo; (q) if applicable, by anyone who lacks experience operating a manual transmission; (r) in connection with a willful, wanton or reckless act; (s) to transport an animal (other than a service animal); (t) in or through any structure or underpass where there is insufficient clearance (width or height); or (u) by anyone who is driving or operating the Vehicle while using a hand-held wireless communication device or other device that is capable of receiving or transmitting telephonic communications, electronic data, mail or text messages while not in a hands-free mode.; Failure to cooperate with us or our assignee in the investigation of a damage incident or claim may invalidate optional protection that you purchase, including CDW. **PROHIBITED USE OF THE VEHICLE VIOLATES THIS AGREEMENT.****

(A) If you purchase CDW, your responsibility for Collision Damage to the Vehicle will be limited to the amount shown on the Rental Agreement Face Page. CDW is not insurance, is optional, and may duplicate coverage under your own insurance policy or credit card. CDW does not apply to optional equipment (“Optional Equipment”) we rent to you for use in the Vehicle or roof damage to the Vehicle. In addition, CDW does not cover damage to tires, glass, or locks or lost keys. Your CDW will be invalidated, and we will not waive our right to hold you financially responsible for collision damage to the Vehicle that results from a Prohibited Use except as provided in subparagraph 6 (B) below for New York Passenger Vehicle Rentals.

(B) For New York Passenger Vehicle Rentals only, the following state-specific conditions regarding your right to void the purchase of CDW and our right to invalidate CDW apply:

You may void your purchase of CDW within 24 hours of purchase in person with the Vehicle at our office at no charge, PROVIDED THAT, the rental is for at least 2 days and you sign our cancellation form (after 24 hours of purchase, you may void the purchase of CDW for the remainder of the Rental Period by bringing the Vehicle to our rental location, signing our cancellation form, and paying for the day(s) or partial day(s) that the CDW was effective). We will not waive our right to collect from you for damage to or loss of the Vehicle if: (a) the damage or loss is caused intentionally or as a result of willful, wanton, or reckless conduct of the driver; (b) the damage or loss arises out of the driver’s operation of the Vehicle while intoxicated or unlawfully impaired by the use of alcohol or drugs; (c) we entered into the rental transaction based on fraudulent or materially false

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information supplied by you or an authorized driver; (d) the damage or loss arises out of the use of the Vehicle while engaged in the commission of a crime other than a traffic infraction; (e) the damage or loss arises out of the use of the Vehicle to carry persons or property for hire, to push or tow anything, while engaged in a speed contest, operating off road, or for driver's training; (f) the damage or loss arises out of the use of the Vehicle by a person other than: (i) an Authorized Driver; (ii) your child over the age of eighteen or your parent or parent-in-law, provided such child, parent or parent-in-law is properly licensed to operate a motor vehicle and resides in the same household as you; or (iii) a parking valet or parking garage attendant for compensation and in the normal course of employment; (g) the damage or loss arises out of the use of the Vehicle outside of the continental United States when that use is not specifically authorized by this Agreement; or (h) you, or another Authorized Driver, or your child over the age of eighteen or your parent or parent-in-law, if applicable, have failed to comply with the requirements for reporting damage or loss as set forth in N.Y. Gen Bus. Law § 396-z(5).

7. Optional Equipment. We offer certain Optional Equipment, including GPS devices and child safety seats, upon request and subject to availability for your use during the rental at an additional charge. All Optional Equipment is rented AS IS and must be returned to us at the end of the rental in the same condition as when rented. If you rent a child safety seat, you must inspect and install the child seat into the Vehicle yourself. If you rent a GPS device, you should review the operational instructions before leaving the rental location.

Notice for New Jersey Rentals: New Jersey requires that every child (1) under 2 years of age and weighing less than 30 pounds be transported in a rear facing child passenger restraint system equipped with a five-point harness, (2) under 4 years of age and weighing less than 40 pounds be transported in a rear facing child passenger restraint system equipped with a five-point harness (until the child outgrows the manufacturer's recommended top height or weight) or in a forward facing child passenger restraint system equipped with a five-point harness, and (3) under 8 years of age and less than 57 inches in height be transported in a forward facing child passenger restraint system equipped with a five-point harness (until the child outgrows the manufacturer's recommended top height or weight, at which point the child shall be secured in a rear booster seat) or in a booster seat. You are responsible for supplying a child safety seat or renting one from us.

8. Responsibility to Others: Handling Accidents/Incidents. You are responsible for all damage or loss you cause to yourself and others. You agree that it is your responsibility to know and understand what insurance coverage you have for this rental. You agree to maintain automobile insurance during the term of this Agreement which provides to the owner, to us, and to you, the following primary coverage: (a) Bodily injury ("BI") and property damage ("PD") liability coverage; (b) Personal injury protection ("PIP"), no-fault, or similar coverage where required; (c) Uninsured/underinsured ("UM"/"UIM") coverage where required, and (d) Comprehensive and collision damage coverage extending to the Vehicle. Your insurance coverage will provide at least the minimum limits of coverage required by the financial responsibility laws of the state where the loss occurs. Where state law requires us to provide auto liability insurance, or if you have no auto liability insurance, we provide auto liability insurance (the "Policy") that is excess to any other valid and collectible insurance whether primary, secondary, excess or contingent. The Policy provides bodily injury liability coverage and property damage liability coverage with limits no higher than minimum levels prescribed by the financial responsibility laws of the State whose laws apply to the loss. The Policy does not cover injury to you. To the extent permitted by law, by signing this Agreement, you reject UM, UIM, and supplemental no-fault or PIP coverages. To the extent such protection is imposed by operation of law, that protection will be for the minimum limits required by applicable law. You must: (a) report all damage to us and all accidents to us and the police as soon as you discover them and complete our incident report form; and (b) provide us with a legible copy of any service of process, pleading, or notice of any kind related to an accident or other incident involving the Vehicle. The Policy is void if you give the Vehicle to an unauthorized driver; otherwise materially breach this Agreement; fail to cooperate in a loss investigation; or fail to file a timely and accurate incident report.

9. Charges. You permit us to reserve or set aside against your credit/debit card ("Reserve") or take a cash deposit ("Deposit") at the time of rental a reasonable amount in addition to the estimated charges. We may use the Reserve or Deposit to pay all Charges. We will authorize the release of any excess Reserve upon the completion of your rental. Your debit/credit card issuer's rules will apply to your account being credited for the excess, which may not be immediately released by your card issuer. You will pay us on demand all Charges, including: (a) time and mileage for the Rental Period, or a mileage charge based on our experience if the odometer is tampered with; (b) charges for additional drivers; (c) optional products and services you purchased; (d) fuel, if you return the Vehicle with less fuel than when rented; (e) applicable taxes, surcharges, and other fees; (f) towing, impound, storage charges, Tolls, Violations, forfeitures, court costs, penalties and all other costs we incur resulting from your use of the Vehicle; (g) all expenses we incur in locating and recovering the Vehicle if you fail to return it or if we elect to repossess it under the terms of this Agreement; (h) all costs, including pre- and post-judgment attorney fees, we incur collecting payment from you or otherwise enforcing or defending our rights under this Agreement; (i) a 2% per month late payment fee, or the maximum amount permitted by law, on all amounts past due; (j) \$50 (or the

maximum amount permitted by law) if you pay us with a check returned unpaid for any reason; and, (k) a reasonable fee not to exceed \$250 to clean the Vehicle if returned substantially less clean than when rented); (l) a reasonable fee of up to \$500 if you lose the keys or toll transponder to the Vehicle; and (m) a surcharge if you return the Vehicle to a location other than the Drop Off Location or if you do not return it on the date and time due, and you may be charged standard rates for each day or partial day after the due-in date, which may be substantially higher than the initially agreed upon rental rate if a special or promotional rate initially applied; and (n) replacement cost of lost or damaged parts/supplies used in Optional Equipment. All Charges are subject to our final audit. If errors are found, you authorize us to correct the Charges with your payment card issuer.

10. Responsibility for Tolls, Traffic Violations, and Other Charges. You are responsible for paying the charging authorities directly all tolls ("Tolls") and parking citations, red light and bus lane tickets, photo enforcement fees, fines for toll evasion, and other fines, fees, and penalties (each a "Violation") assessed against you, us or the Vehicle during the Rental Period. The Vehicle is equipped with the ability to pay tolls electronically through Highway Toll Administration, LLC ("HTA"). If a Toll is incurred on the Vehicle, we, HTA or an HTA affiliate will charge you for the Toll at the highest prevailing undiscounted rate plus: all applicable fees and taxes, and service charges, administrative fees, and the convenience fee stated on the Face Page. If we, HTA, or an HTA affiliate charge you for a Toll that you believe you paid, you will not be relieved of your obligation to pay us, HTA, or an HTA affiliate for the Toll, unless you submit proof of payment to us, HTA, or an HTA affiliate. Certain toll roads do not accept cash. To avoid toll violations and associated fines, fees, and taxes (and our administrative fees), you must pay all tolls with a personal transponder that is accepted on the road; use only cash lanes and pay cash; plan a route to avoid tolls; or consult local authorities for other payment methods. If we are notified by charging authorities that we may be responsible for a Violation, you agree that we may, in our sole discretion and without prior notice to you, pay the Violation plus applicable taxes, on your behalf directly to the authority. We will charge you the face value of the Violation and any taxes plus an administrative fee of up to \$40 for each Violation. If we elect to pay the Violation, you may not be able to challenge its validity before the issuing authority. Instead of paying the Violation directly, we, may, in our sole discretion, transfer liability for a Violation assessed against the Vehicle during the Rental Period to you personally in jurisdictions that permit such liability transfers. If liability is transferred to you, we will charge you an administrative fee of up to \$40 per Violation. You authorize us to release: (a) your rental information, including personally identifiable information, to government officials and other authorities charged with enforcing Tolls and Violations; and (b) your rental and payment card information to HTA and HTA affiliates for processing and billing purposes. If we, HTA, or an HTA affiliate pay a Toll or Violation assessed on the Vehicle during the Rental Period, you authorize us, HTA, and HTA affiliates to charge all payments and administrative fees to the payment card you used for this rental. You authorize us, HTA, and HTA affiliates to contact you directly or to send invoices regarding any Tolls or Violations incurred by you or assessed against the Vehicle during the Rental Period. You may contact HTA at 866-285-6265 or www.htallc.com to request a copy of Toll bills and receipts.

11. Personal Information. You agree that we may disclose personally identifiable information about you to applicable law enforcement agencies or to other third parties in connection with our enforcement of our rights under this Agreement and other legitimate purposes. Questions regarding privacy should be directed to the location where you rented the Vehicle.

12. Telematics Notice. The Vehicle may be equipped with global positioning satellite (GPS) technology or another telematics system, and/or an event data recorder (EDR). You acknowledge and authorize that your use of this Vehicle may be remotely monitored by us or on behalf of us through such systems to the extent permitted by law. This remote monitoring may include collection of Vehicle data, such as: location, odometer, oil life, fuel level, tire pressure, battery state of charge, diagnostic trouble codes, and other elements we may deem necessary. These systems may use cellular communications, and you should have no expectation of privacy related to your use of this Vehicle. You agree to inform all drivers and passengers of the Vehicle of the terms of this section, and that you have authorized release of information collected by GPS or other telematics system or EDR. We are not responsible for the operability of any telematics navigational or other system included with the Vehicle. To the extent permitted by law, you agree to indemnify, defend and hold us harmless from any damage to persons or property caused by failure of the GPS or other telematics system or EDR to operate properly, or otherwise arising from the use of the GPS or other telematics system or EDR.

13. Personal Property. We are not responsible for loss of or damage to personal property that was left with us or carried in or on the Vehicle. If you fail to claim property left in the Vehicle for more than 30 days, we may dispose of that property in a manner we choose. To the extent permitted by law, You waive all claims against us, our agents and employees for loss of or damage to the personal property of you or another person, which we received, handled, or stored, or which was left or carried in or on the Vehicle or in any service vehicle or in our offices, whether or not the loss of damage was caused by our negligence or was otherwise our responsibility. The Vehicle may be equipped with an infotainment system that permits you to pair your own mobile devices, and which may download your personal contacts, communications, location or other digital data. You should wipe all personal information from the Vehicle's systems before returning it.

14. Miscellaneous. A waiver by us of any breach of this Agreement is not a waiver of any additional breach or waiver of the performance of your obligations under this Agreement. You waive all recourse against us for any criminal reports or prosecutions that we take against you that arise out of your breach of this Agreement. Our acceptance of payment from you or our failure, refusal or neglect to exercise any of our rights under this Agreement does not constitute a waiver of any other provision of this Agreement. No term of this Agreement can be waived or modified except by a writing that we have signed. This Agreement constitutes the entire agreement between you and us. All prior representations and agreements between you and us regarding this rental are void. To the extent permitted by law, you release us from any liability for consequential, special or punitive damages in connection with this rental or the reservation of a vehicle. If any provision of this Agreement is deemed void or unenforceable, the remaining provisions are valid and enforceable.