

Rental Agreement

Chapter 1 General rule

Article 1 (Application of contract)

1. Lessor ("Company") rents a car ("Rent-A-Car") to lessee as per terms/conditions of this rental agreement ("Rental Agreement") and lessee agrees to rent the Rent-A-Car. Items not designated by the Rental Agreement follow laws or general practice.
2. Company may accept special agreement as far as it does not violate the intention of Rental Agreement, laws, regulations and general practice. Special agreement supersedes other terms/conditions of Rental Agreement.

Chapter 2 Reservation

Article 2 (Make reservation)

1. After consenting Rental Agreement and Company's rental fee schedule, etc., lessee clearly indicates following items at making reservation in the way designated by Company; Class of car type, starting time/place/period/returning location/driver/child safety seat (if any) of Rent-A-Car and other conditions of rent ("Rental Conditions").
2. Upon receiving reservation from lessee, Company consents to rent lessee a Rent-A-Car possessed by Company. In this case, unless otherwise Company agrees contrary, lessee pays reservation fee as per Company's tariff.

Article 3 (Change reservation)

If lessee wishes to amend Rental Conditions of section 1 of previous article before concluding rental contract of Rent-A-Car ("Rental Contract"), lessee must receive Company's consent beforehand.

Article 4 (Cancel reservation)

1. Lessee can cancel reservation by the method designated by Company.
2. Unless otherwise Company agrees contrary, if lessee does not begin to conclude Rental Contract within 1 hour after reserved rental starting time, the reservation is treated as cancelled.
3. In the case of previous 2 sections, lessee pays cancellation fee to Company without delay. Company refunds the reservation fee once Company receives the cancellation fee.

4. If reservation is cancelled or Rental Contract is not concluded by Company's convenience, Company refunds the reservation fee already received and pays penalty designated by Company.
5. If Rental Contract is not concluded due to reasons beyond control of both lessee and Company such as accident, theft, non-returning of car, recall, natural disaster, etc., the reservation is regarded as cancelled. In this case, Company refunds lessee the reservation fee already received.

Article 5 (Loaner car)

1. If Company is unable to rent a class of Rent-A-Car reserved by lessee, Company may offer to rent a class of Rent-A-Car different from reserved one ("Loaner Car").
2. If lessee accepts the offer described in previous section, Company rents Loaner Car to lessee with the same Rental Conditions except car class. Rent, in this case, is either rent of car class of Loaner Car or that of reserved car, whichever is lower.
3. If lessee declines the offer described in section 1 above, the reservation is regarded as cancelled.
4. Regarding the case of previous section, if Company is responsible for being unable to rent as described in section 1, section 4 of Article 4 is to apply. If Company is not responsible for being unable to rent as described in section 1, section 5 of Article 4 is to apply.

Article 6 (Exemption)

In case reservation is cancelled or Rental Contract is not concluded, neither Company nor lessee makes claim besides the cases designated in articles 4 and 5.

Chapter 3 Rent

Article 7 (Conclude Rental Contract)

1. Lessee clearly indicates Rental Conditions and Company clearly indicates terms/conditions of rent by Rental Agreement, charge tariff, etc. This is how Rental Contract is concluded. This does not apply to cases where lessee or driver falls in category of either section 1 or section 2 of article 9.
2. Once Rental Contract is concluded, lessee pays Company rent described in section 1 of article 11.
3. As per instruction of MLIT, Company requests lessee to submit driving license of driver designated by lessee ("Driver") and its copy either to fill driver's name, address, type and driving license no. in rental book (original tag of rent) or in certificate of rent (as specified in

section 1 of article 14), or to attach copy of Driver's driving license to the rental book/certificate of rent. In this case, lessee shows lessee's driving license (if lessee is a driver) and lessees shows Driver's driving license/ submits its copy (if lessee and driver differ).

4. At concluding Rental Contract, Company may request lessee and Driver document for identification on top of driving license and may take its copy.
5. At concluding Rental Contract, Company requests to disclose mobile phone no., etc. to communicate with lessee and Driver.
6. At concluding Rental Contract, Company requests lessee to pay by either credit card or by cash, or may designate other method of payment.

Article 8 (Reject to conclude Rental Contract)

1. Rental Contract can not be concluded if either lessees or Driver falls in one of below categories.
 - (1) Not carry driving license required to drive the Rent-A-Car. Or not show Company a driving license, not submit Company a copy of driving license.
 - (2) Identified as under the influence of alcohol
 - (3) Identified as being poisoned by drug, stimulant, thinner, etc.
 - (4) Accompanied by a passenger less than 6 year old in spite of no child safety belt.
 - (5) Identified as a member of gang or possible to commit violent illegal act as a group or a habit.
2. Company may refuse to conclude Rental Contract if either lessees or Driver falls in one of below categories.
 - (1) Driver fixed at reservation differs from the one confirmed at concluding Rental Contract.
 - (2) Not comply with section 6 or section 8 of article 8.
 - (3) Has delinquent record as to rent or other payables to Company at rentals in the past.
 - (4) Action (described in article 17) was recorded at rentals in the past.
 - (5) Be subject to report submitted to National Rent-A-Car Association as to unpaid expenses relating to illegal parking or non-returning of car as per section 7 of article 18 or section 1 of article 24 at rentals in the past (including those rentals by other rent-a-car operators).
 - (6) No automobile insurance was applied at rentals in the past.
 - (7) Not fulfill Company's designated conditions
3. In light of previous 2 sections, if reservation was established with lessee, the reservation is regarded as cancelled, and lessee pays cancellation fee designated by Company without

delay. Once Company receives the cancellation fee, Company refunds lessee reservation fee already received.

Article 9(Conclude Rental Contract, etc.)

1. When lessee pays rent to Company and Company delivers Rent-A-Car to lessee, Rental Contract is regarded as concluded. In this case, reservation fee already received by Company as well as face value of Coupon submitted to Company by lessee are to be applied to a part of rent payable.
2. Delivery described in previous section takes place at the time and location designated by section 1 of article 2.

Article 10 (Rent)

1. Rent is a sum of following charges. Company indicates each amount or calculation base at table of charges.
 - (1) Basic charge
 - (2) Usage charge of equipment
 - (3) Repossession of allocated car
 - (4) Other charges designated by Company
2. Basic charge equals the one Company reports to manager of District Transport Nagano Bureau , at the time of renting Rent-A-Car.
3. If Company amends rent tariff after reservation is made as described in article 2, rent in question is either rent at the time of reservation or that at the time of actual rent, whichever is lower.

Article 11 (Change Rental Conditions)

1. If lessee wishes to change Rental Conditions already fixed at Rental Contract, lessee must get Company's consent beforehand.
2. Company may refuse the change referred to in previous section, if the change impairs rental operation.

Article 12 (Inspection and Confirmation)

1. Company carries out inspections required by section 2 of article 47 (daily inspection) and article 48 (regular inspection) of Road Trucking Vehicle Law and Company rents Rent-A-Car after such inspections.

2. Either lessee or Driver confirms that inspection described in previous section was carried out and that there exists no faulty maintenance to Rent-A-Car after inspection of car exterior and equipment as per Company's inspection list and that Rent-A-Car meets Rental Conditions.
3. If faulty maintenance to Rent-A-Car is found by confirmation of previous section, Company carries out necessary maintenance.
4. Either lessee or Driver fixes child safety seat properly. Company is not responsible for fixing child safety seat properly.

Article 13 (Issue and Carry certificate of rent)

1. When Rent-A-Car is delivered, Company issues a predefined certificate of rent to either lessee or Driver. Company fills in items of the certificate of rent, designated by manager of District Transport Bureau.
2. Either lessee or Driver carries the certificate of rent (issued as per previous section) from the time Rent-A-Car is delivered by Company to the time Rent-A-Car is returned to Company ("Usage Period").
3. If either lessee or Driver loses the certificate of rent, he must inform Company of the fact immediately and he follows Company's instruction.
4. When either lessee or Driver returns Rent-A-Car to Company, he must return the certificate of rent as well.

Chapter 4 Use

Article 14 (Care and Custody)

Either lessee or Driver uses and maintains Rent-A-Car with the care of good manager during Usage Period.

Article 15 (Daily inspection)

Either lessee or Driver must carry out the inspection defined by section 2, article 47 (Daily inspection) of Road Vehicle Trucking Law before using Rent-A-Car every day and make necessary maintenance during Usage Period.

Article 16 (Prohibited conduct)

Either lessee or Driver must not make below conducts during Usage Period.

- (1) Utilize Rent-A-Car for trucking business or similar businesses without prior consent of Company and without approval according to Road Transportation Act.

- (2) Utilize Rent-A-Car for purposes other than those specified. Or let someone (other than the Driver described in item 14 of certificate of rent or other than those approved by Company) drive the Rent-A-Car.
- (3) Do any act which may invade Company's right such as sub-rent Rent-A-Car, serve Rent-A-Car as pledge, etc.
- (4) Modify original condition of Rent-A-Car, such as forge/alter identification plate or number plate, or remodel/convert Rent-A-Car, etc.
- (5) Serve Rent-A-Car for various test/competition or for haulage/push of other car without Company's prior consent.
- (6) Utilize Rent-A-Car against law or against morality.
- (7) Arrange casualty insurance for Rent-A-Car without Company's prior consent.
- (8) Ship out Rent-A-Car outside Japan.
- (9) Do any act which may breach Rental Conditions (if Rental Conditions were altered with Company's consent as per section 1 of article 12, then the altered Rental Conditions apply).

Article 17 (Illegal parking)

1. If either lessee or Driver performs illegal parking (designated by Road Traffic Act) during Usage Period of Rent-A-Car, he appears at the police station, pays penalty thereof without delay and bears cost for towing service, storage, pick-up.
2. If Company receives information from police as to illegal parking of Rent-A-Car, Company informs either lessee or Driver to instruct him to move Rent-A-Car and appear at the police station before expiry of Rental Contract (or by the time designated by Company) for settling illegal parking issue and either lessee or Driver follows Company's instruction. Company may pick-up Rent-A-Car on Company's judgment in case Rent-A-Car is moved by police.
3. After giving instruction per previous section, Company examines illegal parking process by notice of traffic violation, payment notice, acknowledgment of receipt, etc. on Company's judgment. If either lessee or Driver fails to proceed illegal issue, he pays Company the penalty of illegal parking (designated by Company) without delay. Company (if judged necessary) may request either lessee or Driver to sign letter of acknowledgment prepared by Company ("Acknowledgement Letter") for illegal parking and stating that he appears at the police station and that he obeys legal procedures as a violator. Company maintains and either lessee or Driver consents the instruction described in previous section until process for violation is completed.
4. If judged necessary, Company may co-operate with police to pursue either lessee's or Driver's responsibility of illegal parking by submitting police personal information such as

Acknowledgement Letter, certificate of rent, etc. Moreover, Company can take necessary actions of submitting materials (such as letter of explanation specified by no.6, section 4 of article 51 of Road Traffic Act, Acknowledgement Letter, certificate of rent), reporting fact situation, etc.

5. If Company receives an order of payment of illegal parking fine per by no.4, section 4 of article 51 of Road Traffic Act and settles with it, or if Company bears cost to search either lessee or Driver and to move, store, pick-up Rent-A-Car ("Search Cost"), either lessee or Driver is responsible for indemnifying Company about an equivalent of illegal parking fine as well as Search Cost, and either lessee or Driver pays Company such costs by the time designated by Company. Provided that either lessee or Driver already paid the penalty of illegal parking described in section 3, he is responsible for payment of Search Cost only.
6. Provided that either lessee or Driver already paid the penalty of illegal parking described in section 3 or an equivalent of illegal parking penalty referred to in previous section: if an order of payment of illegal parking penalty is cancelled subsequent to either lessee's or Driver's payment of the penalty or subsequent to institution of prosecution and Company is refunded the penalty, then Company pays back the penalty of illegal parking (designated by Company) received from either lessee or Driver, or pays back the equivalent of illegal parking fine refunded by police after deducting outstanding cost such as Search Cost. Please note that expenses to be incurred by pay back is born by either lessee or Driver.
7. In case Company receives an order of payment of illegal parking fine as referred to in section 5 or in case either lessee or Driver fails to pay fully the indemnified cost described in section 5, Company may report National Rent-A-Car Association about unpaid penalty of illegal parking (including report of registering at National Rent-A-Car Association's routine system), disclosing name, address, driving license no. of either lessee or Driver. In case either lessee or Driver pays the indemnified cost described in section 5 in full amount, Company does not report National Rent-A-Car Association about unpaid penalty of illegal parking, and Company cancels the report, if already made it.

Chapter 5 Returning Rent-A-Car

Article 18 (Responsible for return)

1. Either lessee or Driver returns Rent-A-Car and equipment to Company at designated location (the amended location, if returning location was amended with Company's approval as per section 1 of article 12) by the time of expiry of rental period (the amended rental period, if rental period was amended with Company's approval as per section 1 of article 12).

2. If either lessee or Driver fails to fulfill previous section, he pays rent either from starting time of rental period to time of returning Rent-A-Car and equipment or rent of rental period + corresponding excess charge, whichever is smaller after deducting rent already paid. In this case, either lessee or Driver can not enjoy services per NAS.
3. If either lessee or Driver is not able to return Rent-A-Car and equipment by the expiry of rental period by force majeure such as natural disaster, etc., he is not responsible for damages to be incurred to Company due to delay of returning Rent-A-Car. In this case, either lessee or Driver informs Company of the fact without delay and follows Company's instruction.

Article 19 (Confirm at returning Rent-A-Car)

1. Either lessee or Driver returns Rent-A-Car and equipment to Company in filling to capacity with Company's presence. In this case, Rent-A-Car is to be returned in original condition of rent, with normal wear and tear excepted.
2. Either lessee or Driver returns Rent-A-Car and equipment after confirming no articles of lessee/Driver/passenger left inside Rent-A-Car and Company is not responsible for maintaining those articles.

Article 20 (Extension charge for rental period extension)

If either lessee or Driver extends rental period after Company's consent as described in section 1 of article 12, he pays Company sum of below amount ("Extension Charge") at returning Rent-A-Car.

- Rent either from starting time of rental period to time of returning Rent-A-Car and equipment or rent of rental period + corresponding excess charge, whichever is smaller after deducting rent already paid.

Article 21 (Settlement)

1. At returning Rent-A-Car, either lessee or Driver settles with outstanding such as Extension Charge, penalty for changing returning location, etc. ("Unsettled Items"), if any without delay.
2. At returning Rent-A-Car, if gas is not filled to capacity, lessee or Driver pays an amount calculated based on Company tariff depending on mileage ("Gas Settlement") to Company without delay.

Article 22 (If Rent-A-Car is not returned)

1. If either lessee or Driver fails to return Rent-A-Car and equipment to designated location at expiry of Rental Contract and does not comply with Company's request for returning

Rent-A-Car, resulting in either Rent-A-Car or equipment unreturned, Company takes actions under civil and criminal codes as well as report National Rent-A-Car Association about damage incurred by unreturned Rent-A-Car (including report of registering at National Rent-A-Car Association's routine system), disclosing name, address, driving license no. of either lessee or Driver.

2. Facing the situation described in previous section, Company takes necessary actions such as communicate with either lessee's or Driver's family, relatives, office or activate information system of car location to find out actual location of Rent-A-Car and equipment.
3. If situation described in section 1 arises, either lessee or Driver pays Company amount of money equivalent to rent covering from expiry day of Rental Contract to the day Company repossesses Rent-A-Car and equipment, and either lessee or Driver is responsible for indemnifying Company for damages incurred to Company as per article 29 (including cost to search and repossess Rent-A-Car as well as cost to search lessee and Driver).

Chapter 6 Breakdown, Accident, Theft

Article 23 (Breakdown is identified)

1. If either lessee or Driver finds defect or breakdown while using Rent-A-Car, he stops driving without delay, communicate with Company and follows Company's instruction.
2. If defect or breakdown referred to in previous section is caused by lessee's or Driver's intent/fault, he is responsible for indemnifying Company for damages incurred to Company (including cost to take over and repair Rent-A-Car) as per article 29.

Article 24(Outbreak of accident)

1. If either lessee or Driver meets an accident involving Rent-A-Car in use, he stops driving without delay, takes legally required actions regardless of the size of accident and takes below actions.
 - (1) Advise Company situations of the accident without delay and follow Company's instruction.
 - (2) If repairs Rent-A-Car by instruction given as per previous item (1), he repairs at Company's designated factory unless otherwise consented differently.
 - (3) Co-operate with Company as well as Company's contracted insurance company regarding the accident and submit documents required by Company without delay.
 - (4) If intends to make out-of-court settlement or other agreement, get Company's consent beforehand.

2. In addition to actions described in previous section, either lessee or Driver deals with the accident on his own responsibility and resolves it.
3. Company gives advices to either lessee or Driver as to dealing the accident and co-operates with him for resolving.

Article 25(Theft)

If either lessee or Driver was robbed of or incurs damage to Rent-A-Car while driving, he takes below actions.

- (1) Inform the nearest police station without delay.
- (2) Inform Company of the damage situation and follow Company's instruction.
- (3) Co-operate with Company and Company's contracted insurance company as to investigation of theft and other damages and submit documents required by Company without delay.

Article 26 (Termination of Rental Contract due to unusable)

1. If Rent-A-Car becomes unusable while driving due to defect, accident, theft and other causes ("Defects") (including unfulfilling standard as per Road Trucking Vehicle Act, etc.), Rental Contract is terminated and either lessee or Driver returns Rent-A-Car and equipment to Company as designated by Chapter 5.
2. In case of previous section, either lessee or Driver settles with outstanding charges or Gas Settlement as per Chapter 5 without delay and responsible for indemnifying damages incurred to Company per article 29 (including cost to take over Rent-A-Car and repair it, etc.). Company does not refund rent, fee already received. except cases described by either section 4 or 5.
3. If Defects is caused by defect existed before rent, lessee is entitled to receive a Loaner Car from Company. Terms of providing a Loaner Car is based on section 2 of article 5.
4. If lessee does not receive a Loaner Car referred to in previous section, Company fully refunds rent, fee already received. In case Company is not able to provide a Loaner Car, Company fully refunds rent, NAS fee and waived amount coverage fee already received
5. If Defect is caused by reasons not attributable to lessee, Driver or Company, Company refunds rent, NAS fee and waived amount coverage fee already received after deducting rent, fee corresponding to the period from start of rent to termination of rent.
6. Neither lessee or Driver is entitled to claim Company for damages caused by unusable of Rent-A-Car except by actions designated by this article.

Chapter 7 Compensation and Indemnification

Article 27 (Compensation and Operational indemnification)

1. If lessee or Driver harm damages to third party or to Company while driving Rent-A-Car, lessee or Driver compensates the damages except cases where Company is responsible for the damages.
2. In light of damages incurred to Company as referred to in previous section, non-operational charge listed in tariff is applied for damages due to accident, theft, defects which lessee or Driver is responsible as well as damages of non-usable of Rent-A-Car by Company because of grime, odor, etc. of Rent-A-Car. Either lessee or Driver pays such non-operational charge to Company without delay.

Article 28 (Insurance and Indemnification)

1. If Rent-A-Car suffers from accident while in use, insurance proceeds or compensations capped by the following amount ("Capped Indemnification") are paid through casualty insurance contract arranged by Company or Company's compensation system for Rent-A-Car.
 - (1) Against person
Unlimited per person (includes proceeds by compulsory automobile liability insurance.)
 - (2) Against property
Unlimited(The deductible of 50000 yen)
 - (3) Against vehicle
Market value of vehicle per accident (The deductible of 50000 yen)
 - (4) Against person injury
Per person: Up to ¥30 million for death, residual disability and injury.
 - •For coverage against person injury, the payment amount shall be actual damage based on the standard specified by the policy of the insurance company.
 - •Terms/conditions of casualty insurance arranged by Company apply for other issues.
2. If case falls in category of exemption causes, insurance proceeds or compensations specified by section 1 are not paid.
3. For those damages against which insurance proceeds or compensations are not paid and for those damages exceeding the capped indemnified amount, lessee or Driver shall be fully responsible.
4. If Company compensates damages which are to be borne by either lessee or Driver.

Chapter 8 Cancel Rental Contract

Article 29 (Cancel Rental Contract)

1. If either lessee or Driver violates terms/conditions of Rental Contract while using Rent-A-Car or falls in category in any no. of section 1 or section 2 of article 9, Company is entitled to cancel Rental Contract without notice and request to return Rent-A-Car. In such case, either lessee or Driver is obligated to return Rent-A-Car and equipment to Company without delay and pay outstanding items or unpaid Gas Settlement (if any) without delay to Company.
2. In light of previous section, Company does not refund rent already received.

Article 30 (Cancel with consent)

1. Lessee can terminate Rental Contract before expiry with Company's consent and with termination fee listed in next section. Lessee pays following termination fee at termination of Rental Contract referred to in previous section.
$$\text{Termination fee} = [(\text{Basic charge for rental period designated by Rental Contract}) - (\text{Basic charge applicable for period from start of rent to return of Rent-A-Car})] \times 50\%$$
2. On top of termination fee, lessee or Driver pays outstanding charge or Gas Settlement, if any, as specified by article 23 to Company without delay.