

## TAXICAB VEHICLE LEASE AGREEMENT

THIS AGREEMENT is made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between AAA Cab Services, Inc. a corporation having its principal office at 4525 East University Drive, Phoenix, Arizona 85034 (hereinafter referenced as "COMPANY"), and \_\_\_\_\_, (hereinafter referenced as "LESSEE").

LESSEE enters into this Agreement for the purpose of operating, as an Independent Lessee (as defined herein), LESSEE's own business. LESSEE's business is the operation of **the Vehicle** (as defined in this Agreement) pursuant to the terms of this Agreement.

COMPANY has entered into this Agreement in reliance upon and in recognition of the fact LESSEE will have the full and sole responsibility for the management of LESSEE's business (as defined in this Agreement for all purposes) and has the right or authority to direct or control the details of LESSEE's business.

In consideration of the mutual covenants and agreements contained herein, COMPANY and LESSEE agree as follows:

### **1. TERM OF AGREEMENT**

The effective date of this agreement shall be the date above written. The initial term of this agreement shall be for a period of one **week** from the effective date. After the expiration of the initial term, the agreement may be renewed by another writing, or by COMPANY's willingness to lease a vehicle to Lessee, and Lessee's acceptance of the vehicle, under the terms of this agreement. Lessee is not obligated to give notice of his/her desire not to renew the agreement at the end of any term, and may allow this agreement to expire without further obligation to COMPANY. Expiration of this agreement does not relieve Lessee of any obligations under the Agreement that have accrued prior to its expiration.

### **2. INDEPENDENT LESSEE**

a. The parties intend that this Agreement establishes Lessee as an independent Lessee of COMPANY. Lessee acknowledges the independent Lessee relationship is only with COMPANY and not with any Affiliated Company. This agreement does not establish LESSEE as an agent, legal representative, joint venturer or partner of any Affiliated Company, for any purpose whatsoever. The parties agree that LESSEE is an independent lessee and is not authorized to make any contract, agreement, warranty, or representation of behalf of any Affiliated Company. Lessee is not an employee of COMPANY or any Affiliated Company. LESSEE will not and is not entitled to, receive benefits, including retirement or worker's compensation

benefits, traditionally associated with an employee/employer relationship. LESSEE elects and hereby gives notice in advance that if LESSEE is entitled to coverage under the worker's compensation act, LESSEE reserves all Lessee's rights at a common law under the statutes of this state other than the worker's compensation act, and will not be bound by the said worker's compensation act, which notice and election shall be binding on the heirs, executors, administrators and assigns of the parties hereto.

b. LESSEE further acknowledges lessee, not COMPANY, is responsible as an independent lessee to prepare all reports and make all payments required by any taxing authorities, whether federal or state, including self-employment taxes.

c. LESSEE, in LESSEE's sole discretion, shall determine if LESSEE shall work, in what areas LESSEE shall operate (subject to all applicable laws, regulations, and Permits), the days and hours LESSEE shall work, the routes over which LESSEE shall carry LESSEE's customers and the methods by which LESSEE shall obtain LESSEE's customers.

### **3. AGREEMENT OF LESSEE WITH RESPECT TO GOODWILL, LOGOS, SERVICE MARKS OR TRADE NAMES**

a. LESSEE hereby acknowledges the validity of the trade name(s) AAA, Yellow, Courier, Checker, Neal's, TLC, Fiesta, and Aguila's. LESSEE acknowledges any trade name(s), logos or service marks provided by or utilized by COMPANY remain the property of the COMPANY. LESSEE agrees not to contest the rights of COMPANY in the trade name(s), logos or service marks. LESSEE shall not use, with the operation of the vehicle, a trade name, logo or service mark other than those provided or approved by COMPANY or such independent name as LESSEE may duly register and operate under, provided that such name is approved in advance by COMPANY, which approval shall not be unreasonably withheld. LESSEE will not advertise or display to the public any trade name, logo, service mark or business name during the term of this Agreement, other than as provided by COMPANY, unless specifically authorized in writing by COMPANY.

b. LESSEE recognizes the good will of the community toward COMPANY, LESSEE, the trade name(s), logos or service marks is critical to the success of LESSEE's and COMPANY's business. LESSEE agrees LESSEE shall not act in any manner detrimental to that community good will. LESSEE agrees and acknowledges that any communication to or conduct toward passengers, LESSEE's customers, which is threatening, abusive, harassing, or sexually offensive would be a violation of this Agreement.

c. LESSEE acknowledges the goods and services provided by COMPANY to LESSEE pursuant to this Agreement include trade secrets and confidential information that are critical to the success of COMPANY with regard to COMPANY's ability to attract other Lessees for its vehicles, and LESSEE

agrees not to disclose such information to any third party during the term of this Agreement.

d. LESSEE covenants and agrees that LESSEE will not, during any term of this Agreement, or for a period of two years after the expiration, cancellation or termination of this Agreement, disclose to any person, firm, or corporation, or any other entity whatsoever, any confidential information concerning the business affairs of COMPANY which LESSEE may have acquired in the course of or as incidental to LESSEE's performance hereunder.

e. LESSEE further covenants and agrees, for a period of two years after the expiration, cancellation or termination of this Agreement, LESSEE shall not utilize any proprietary information concerning the business or affairs of COMPANY which LESSEE may have acquired in the course of or as incidental to LESSEE's performance hereunder.

f. LESSEE agrees to pay COMPANY for all damages, including reasonable attorneys' fees, incurred by COMPANY resulting from any violation of the requirements of this Section 3, including but not limited to legal costs and fees incurred in obtaining injunctive relief. LESSEE and COMPANY agree that the damages from use of COMPANY's trade name(s), logos, or service marks in violation of this Agreement are difficult to quantify and that LESSEE agrees to pay COMPANY \$250.00 per violation per day.

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LESSEE's Initials  
Acknowledgement of Agreement  
Regarding Confidentiality and  
Disclosure of Protected Information

g. LESSEE acknowledges that, from time to time, COMPANY may install audio and video recording equipment, and/or Global Positioning System ("GPS") equipment in the Vehicle, and for safety and other reasons, may use the equipment to record events or conversations occurring in or near the Vehicle, and/or to track and/or record the location of the Vehicle. LESSEE consents to the installation of all such equipment, and to the recording and other activities described in the preceding sentence.

#### **4. EQUIPMENT AND SERVICES**

a. Subject to the provisions of the Agreement, COMPANY agrees to lease the Vehicle to LESSEE during the term of this Agreement for use by LESSEE to provide Taxicab Service. The Vehicle is specifically identified in Exhibit A to this Agreement, which may be modified from time to time by the parties, and shall be treated as part of this Agreement for all purposes.

b. Except as otherwise provided in this Agreement with respect to damage to the Vehicle for which LESSEE is responsible, COMPANY also agrees to provide necessary maintenance and repairs with respect to the Vehicle at no charge to LESSEE, and LESSEE agrees to return the Vehicle to COMPANY for necessary maintenance and repairs. Upon reasonable notice, LESSEE agrees to make the Vehicle available for inspection, repairs, or maintenance, as deemed necessary by COMPANY. LESSEE further agrees to notify COMPANY of any mechanical problems with the Vehicle. In the event the Vehicle becomes inoperable because of maintenance or repair requirements, a vehicle of similar type and quality to the vehicle may be substituted by COMPANY.

c. LESSEE is responsible for payment of the cost of all fuel used while s/he is operating the Vehicle, and may purchase such fuel from the vendor of his/her choice, provided that such fuel satisfies the manufacturer's specifications. As between COMPANY and LESSEE, LESSEE is also responsible for payment of all parking fees, tolls, fines, penalties, and other expenses incurred while s/he is operating, or has parked the Vehicle.

d. COMPANY agrees to furnish LESSEE with applicable operating permit or operating authority authorizing operation of the Vehicle. Lessee agrees that such permit or authority is owned by COMPANY, must be returned to COMPANY upon termination of this Agreement, and may be used only in connection with LESSEE's operation of the Vehicle as provided for this Agreement.

e. COMPANY agrees to furnish LESSEE access, for LESSEE's optional use, to 24-hour dispatching service.

f. LESSEE, in addition to the 24-hour dispatching service, may receive requests for service directly from LESSEE's customer, provided that all calls for service to be paid via credit card or voucher issued by COMPANY must be approved by COMPANY. LESSEE may not use the name "COMPANY" or any other "trade name" in advertising or telephone listings. LESSEE may use COMPANY's name or trade name on business cards.

g. LESSEE agrees not to modify the Vehicle without the express written permission of COMPANY, which approval will not be unreasonably withheld. At the end of the period of possession of the Vehicle by LESSEE, if requested by COMPANY, LESSEE agrees to remove all modifications made by LESSEE and restore the Vehicle to the condition in which LESSEE received it from the COMPANY. To the extent that COMPANY elects not to require LESSEE to remove modifications, LESSEE agrees that such modifications become the property of COMPANY as of the end of the LESSEE's possession of the Vehicle.

## **DISCLAIMER OF WARRANTIES AND REPRESENTATION**

a. LESSEE understands and agrees that Affiliated Company makes no warranty, either expressed or implied, with respect to the Vehicle, its merchantability, age, prior use, certification, or the fitness for a particular purpose. Nothing herein contained shall be construed to deprive the LESSEE of rights, if any, LESSEE may have against any party other than Affiliated Company. The Vehicle and all other personal property provided to LESSEE in connection with this Lease are provided in "as-is" condition.

b. No representation has been made that LESSEE is not free to reasonably equip the Vehicle as LESSEE deems necessary for the operation of the Vehicle. LESSEE understands that LESSEE may equip the Vehicle as long as installation of the equipment does not violate any portion of this Agreement or any other applicable agreement with COMPANY.

c. LESSEE acknowledges that no Affiliated Company has made any representation as to where or not LESSEE's operation of the Vehicle will be profitable. LESSEE further acknowledges COMPANY has warned LESSEE that LESSEE may not make a profit by the operation of the Vehicle. LESSEE acknowledges LESSEE has not relied upon any representations of any Affiliated Company regarding the profitability of operating the Vehicle when deciding to execute this Agreement.

\_\_\_\_\_  
LESSEE's Initials

Re: No Representations or Warranties

## **5. FEES AND DEPOSITS**

a. COMPANY agrees to lease the Vehicle to LESSEE for the fees set forth in Exhibit A.

b. LESSEE recognizes and agrees to pay a late fee equal to the amount posted by COMPANY. If no amount is posted COMPANY will require LESSEE to pay either: (1) a late fee of \$5.00 per hour, or (2) a flat late fee of \$50.00, as it chooses.

c. LESSEE agrees to be financially responsible for any and all damages to the Vehicle, which is outside the normal wear and tear caused by the operation and use of the Vehicle. LESSEE's liability for physical damage to the Vehicle as a consequence of a collision shall be limited to \$\_\_\_\_\_ per occurrence, except for damages caused by the gross negligence, willful

misconduct, or driving under the influence of (or while intoxicated by) alcohol, any drug (whether or not prescribed by a physician), or any controlled substance, of an authorized driver of the Vehicle, or unauthorized use of the Vehicle by a third party. LESSEE agrees that in the event of a collision, LESSEE is responsible to take all reasonable measures to minimize any additional damage to the Vehicle. Any such additional damage will be fully the responsibility of LESSEE. LESSEE's liability for damage to the Vehicle shall in no case exceed the fair market value of the Vehicle at the time of the occurrence plus any and all out-of-pocket expenses incurred by COMPANY with respect to such collision, such as towing and storage charges. In the event of any payment(s) hereunder, COMPANY shall be subrogated to all of LESSEE's rights of recovery therefore against any person or organization, and LESSEE shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights.

d. LESSEE further agrees to pay a deposit equal to \$10.00 per day, each time a lease payment is due, until such time as the cumulative amount of such deposits equal \$2,500.00. AS long as the deposit equals or exceeds \$2,500.00, COMPANY will pay LESSEE 5% simple annual interest on the deposit balance. Such deposit shall be held by COMPANY for the sole purpose of covering any and all damage to the Vehicle or loss of equipment from the Vehicle while it is on LESSEE's custody. LESSEE shall be entitled to a return of the balance of all sums of the LICENSE on deposit with COMPANY subject to the prescribed deductions for damage to the Vehicle or deduction for dpts (the "Net Deposit") no sooner than thirty (30) days after the cancellation of this Agreement. In order to receive such return of the Net Deposit, LESSEE must make written demand therefore upon COMPANY. Within five (5) days after receipt of such written demand, but in no case sooner than thirty (30) days after cancellation. COMPANY must make the Net Deposit available for pick up by the LESSEE at COMPANY's principal office. That day is hereinafter referred to as "due date". If COMPANY fails to refund the Net Deposit on or before the due date, then the Net Deposit shall bear interest at eighteen percent (18%) per annum beginning on the day after due date and continuing until the Net Deposit is paid by COMPANY to the LESSEE. Notwithstanding anything to the contrary stated herein, if the LESSEE fails to make a written demand to COMPANY for the refund of the Net Deposit within one (1) year of the cancellation of this Agreement, then the Net Deposit shall be deemed to be forfeited by the LESSEE and shall become the exclusive property of COMPANY.

e. It is understood and agreed in the event COMPANY, for any business reason, deems it necessary or advisable to institute a general increase in the fees for the use of the Vehicle, the amount of said fees as specified in this Agreement may be increased by COMPANY by a maximum of 5% during any contract term, upon forty-five (45) days written notice to LESSEE.

f. LESSEE agrees to pay a reasonable fee to COMPANY, as set forth in Exhibit A, for COMPANY's services in processing company credit card and vouchers.

## **6. ADVERTISEMENTS**

LESSEE agrees that COMPANY may furnish, install and maintain advertising signs on the Vehicle at COMPANY's sole cost. Revenues from advertising space sold shall be payable to COMPANY, and LESSEE shall have no rights to share in such revenues.

## **7. LAWS AND OPERATING AGREEMENTS**

LESSEE acknowledges that, while operating the Vehicle pursuant to the terms of this Agreement, LESSEE must comply with (a) all laws, ordinances, rules, and regulations, including those issued by any federal, state, county, municipal, or other governmental authority; and the terms and conditions of all operating agreements, quoted/negotiated fees, or contracts to which COMPANY is a party. LESSEE acknowledges this Agreement may be cancelled at any time if COMPANY has a reasonable good faith belief that LESSEE may present a risk of harm to passengers or other vehicle operators. LESSEE further agrees to exercise good business etiquette, and at all times conduct himself/herself in a manner that would not be detrimental to the goodwill inherent in the COMPANY's name, trademarks, service marks, or logos.

## **8. ASSIGNMENT**

a. The LESSEE's rights and obligations hereunder are not transferable or assignable in whole or part except with the express written permission of COMPANY, which will not be reasonably withheld. LESSEE may not, under any circumstances, allow anyone to operate the Vehicle in LESSEE's possession pursuant to the terms of this Agreement, except as reasonably approved in advance and in writing based upon having an acceptable driving records and appropriate authorization from such parties as are reasonably designated by COMPANY, and as required for insurance purposes.

b. COMPANY may assign or transfer any of its rights or benefits under this contract, as it may deem necessary or appropriate without notice to LESSEE.

c. A portion of the benefits, which COMPANY has an obligation under this contract to provide LESSEE, may be provided directly to LESSEE by third parties.

## **9. INSURANCE**

a. COMPANY will provide LESSEE, for the operation of the Vehicle in compliance with the terms of this Agreement, only the types and amounts of

insurance coverage as necessary to satisfy the minimum requirements of any federal or state law, ordinance, or regulation, or any Service Agreement to which COMPANY is a party. Any and all other types and amounts of insurance coverages that may be waived by LESSEE are hereby waived.

b. In the event of an accident, theft, or other loss arising from or in connection with the operation of the Vehicle, LESSEE must provide written notice of the facts of the incident to COMPANY as soon as feasible (but no later than 24 hours) after the incident. LESSEE agrees to provide prompt notice to COMPANY if any claim, demand, suit, or process is made upon LESSEE. LESSEE agrees to cooperate in the defense or pursuit of any claim or on behalf of COMPANY.

c. LESSEE acknowledges that in the event of an accident that is determined to have been caused by LESSEE's negligence, LESSEE may be responsible for damages whose amount exceeds the insurance coverage provided under this Agreement. In such an event, LESSEE could be liable for amounts in excess of the coverage. LESSEE further acknowledges that LESSEE may obtain additional insurance coverage at LESSEE's own expense to reduce LESSEE's exposure to a claim whose damages exceed the amounts of insurance provided under this Agreement. If LESSEE decides to obtain additional insurance coverage, LESSEE may do so at his/her own expense. LESSEE agrees to provide COMPANY with a copy of any insurance policy purchased that may cover claims against LESSEE arising in connection with LESSEE's operation of the Vehicle.

d. LESSEE must comply with all of the terms and requirements of this Agreement. If LESSEE fails to comply, the coverages provided herein will be void. LESSEE's responsibilities, duties, and obligations related to the coverage provided under this Agreement, including but not limited to indemnities, assumptions of liability, and subrogation rights, shall survive the termination of this Agreement. No insurance coverage is provided under this Agreement if, when the claim arises, the Vehicle is being operated by an Unauthorized Driver.

e. LESSEE agrees and acknowledges that the insurance provided by COMPANY under this Agreement provides no coverage or duty to provide a defense for any claim, demand or lawsuit (or portion thereof) seeking to recover: (1) punitive or exemplary damages against LESSEE; or (2) damages based upon intentional or deliberate actions by LESSEE including but not limited to assault and battery.

f. LESSEE's responsibilities, duties, and obligations related to the insurance coverage provided herein shall survive the cancellation of this Agreement.



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LESSEE's Initials  
Re: Insurance

**10. TITLE.** Nothing herein contained shall give or convey to LESSEE any ownership right or other right, other than the rights expressly stated in this Agreement, to the Vehicle provided pursuant to the terms of this agreement. LESSEE expressly disclaims any interest, right, or title to the operating permit or operating authority for the Vehicle.

**11. CONDITIONS OF TERMINATION.**

a. COMPANY may terminate this Agreement in the event LESSEE breaches any of the terms, obligation, or provisions of this Agreement, or ceases to operate the Vehicle under the trade name(s) "\_\_\_\_\_".

b. This Agreement may be terminated at any time by mutual agreement of the parties.

c. LESSEE may termination this agreement without cause at any time upon \_\_\_\_ days' written notice to COMPANY. LESSEE agrees that for a period of \_\_\_\_ days from LESSEE's notice that LESSEE intends to terminate or cancel this agreement, LESSEE will not operate a vehicle that could compete to service parties with whom COMPANY has written agreements, except as authorized under this Agreement, provided that this restriction will not prevent LESSEE from providing ground transportation services for the general public.

d. If at any time COMPANY believes LESSEE cannot, will not, or has not been performing pursuant to the terms of this Agreement, COMPANY may (as an alternative to immediate cancellation) temporarily revoke LESSEE's right to operate the Vehicle under this Agreement for a period of time sufficient to investigate COMPANY's belief. Such temporary revocation by COMPANY's shall not waive COMPANY's right to terminate this Agreement as herein provided.

e. LESSEE agrees to be tested for the illegal use of controlled substances, or for blood alcohol level. LESSEE may be tested on a random, volunteer, "reason to believe", or post-accident basis. Refusal to test is breach of this Agreement and grounds for cancellation of this Agreement.

f. This Agreement may be cancelled at any time by the COMPANY if COMPANY has a good faith belief that LESSEE may present an unreasonable risk of harm to passengers or others.

g. LESSEE agrees that if LESSEE believes or contends COMPANY has breached, or is in any way breaching this Agreement, LESSEE shall

immediately notify COMPANY in writing the facts giving rise to the alleged breach. If written notice is not given within 30 days of LESSEE's awareness of those facts, LESSEE waives, for all purposes, any breach based upon those facts.

h. After the initial term, this Agreement may be cancelled by COMPANY, without cause, with 30 days notice to LESSEE.

i. If Lessee does not operate the Vehicle under this Agreement for a period of 30 days, COMPANY may terminate this Agreement without notice to LESSEE.

**12. PROCEDURES AFTER TERMINATION.** Immediately upon termination of this Agreement by either party, LESSEE shall cease to be authorized to operate the Vehicle and shall:

a. Promptly pay COMPANY all sums owing under this Agreement, which sums shall be due and payable to COMPANY within 24 hours after termination of this Agreement. All unpaid sums under this Agreement shall bear interest at 18% per annum beginning 30 days after the date such sums become due and continuing until such sums are paid;

b. Immediately and permanently discontinue the use of the trade name "\_\_\_\_\_", all similar names and marks, and any name or mark containing the designation "\_\_\_\_\_", or any other designation, indicating or tending to indicate the LESSEE is an authorized COMPANY LESSEE.

c. Promptly surrender to COMPANY the Vehicle and all associated personal property previously furnished by COMPANY to LESSEE under the terms of this Agreement.

d. Thereafter refrain from doing anything that would indicate LESSEE is an authorized COMPANY LESSEE;

e. Permit COMPANY to enter on LESSEE's premises and take possession of the Vehicle and all associated personal property provided under this Agreement, all without liability for damages, if any; and

f. Pay the cost incurred by COMPANY in exercising its rights as set forth herein, as well as the cost of any legal proceeding, including reasonable attorney's fees, made necessary by LESSEE's failure to or refusal to comply with any of the terms or provisions of this Agreement. LESSEE shall not utilize or communicate to any individual or entity Confidential Information except as necessary for LESSEE to operate under this Agreement or a subsequent agreement with any Affiliated Company.

g. LESSEE acknowledges COMPANY's ability to protect confidential information is critical to COMPANY's success and that of the Independent

LESSEE drivers who operate vehicles pursuant to an agreement with COMPANY. LESSEE acknowledges that COMPANY, because of the unique nature of the confidential information, would suffer irreparable harm in the event LESSEE breaches its obligation under this Agreement in that monetary damages would be difficult to calculate and inadequate to compensate COMPANY for such a breach. LESSEE and COMPANY agree that in the event of a breach by LESSEE, COMPANY shall be entitled, in addition to monetary relief, to injunctive relief as may be necessary to restrain any continuing or further breach by LESSEE, without the showing or proving of any actual damages by COMPANY.

**13. FAILURE TO EXERCISE RIGHT.** The failure of either party to act or exercise any right under this Agreement upon the breach of any of the terms hereof by the other party shall not be construed as a waiver of such breach, or prevent the party from thereafter enforcing strict compliance with any and all of the terms of this Agreement.

**14. CONSTRUCTION.** The parties agree that COMPANY's obligations under this Agreement are expressly conditioned upon the validity of this Agreement under the law of the State of \_\_\_\_\_. In the event any provision of this Agreement is held invalid by a court of competent jurisdiction, or prohibited by statute, this Agreement shall be modified so as to delete and this Agreement shall be construed and enforced as if said invalid provision had never been inserted herein.

**15. INDEMNIFICATION AND HOLD HARMLESS.**

a. LESSEE agrees to fully protect, defend, hold harmless, and unconditionally indemnify each Affiliated Company, its agents, servants, employees, officers and directors, from and against and for all liability, costs, expenses, claims and damage, including attorney's fees, for which any Affiliate Company may at any time suffer, sustain or become liable by reason of any incident(s) which create in any manner damages to the person or property of LESSEE arising from any acts or omissions of any of the Affiliate Company related directly or indirectly to the operation of the Vehicle. This agreement to indemnify and hold harmless extends to any and all damages including damages to LESSEE that may occur related to or arising from any claim based upon a products liability or strict liability theory of recovery, which involves liability facts or damages which are related to any goods or services provided herein, except to the extent that such damages are covered by insurance policies that will otherwise compensate COMPANY for such matters.

b. LESSEE further agrees to indemnify each Affiliated Company for any claim or cause of action that may ever be asserted by anyone claiming by or on behalf of LESSEE, LESSEE's estate, LESSEE's spouse, children or heirs.

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LESSEE's Initials  
Re: Indemnification and Hold Harmless

**16. ACKNOWLEDGEMENT O POTENTIAL RISKS.** LESSEE acknowledges the operation of *the Vehicle* may subject LESSEE to various risks, including, but not limited to, the possibility of being injured (a) in the course of operating *the Vehicle* or lifting heavy objects, (b) on account of a motor vehicle crash, and (c) by criminal activity by a third party. LESSEE acknowledges LESEE has been made aware of the possibility of exposure to these and other risks, and acknowledges that Section 15 of this Agreement prevents LESSEE from recovering any monetary damages from any Affiliated Company for any damages or injuries LESSEE may suffer arising out of the operation of *the Vehicle*. LESSEE acknowledges the word "incident(s)" in Section 15 includes, but it not limited to, the risks discussed in this Section 16. However, this Section 16 does not limit the scope of the hold harmless and indemnification language in Section 15.

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LESSEE's Initials  
Re: Acknowledgement of Potential Risks

**17. CONSULTATION WITH COUNSEL.** LESSEE acknowledges that he/she has had simple opportunity, constituting at least three (3) business days from delivery of this Agreement, to consult an attorney of his/her choice prior to the execution of this document. LESSEE acknowledges this AGREEMENT gives each of the parties to the AGREEMENT rights and obligations. LESSEE further acknowledges that portions of this AGREEMENT waive or restrict legal remedies or rights of LESSEE. With this understanding and acknowledgement:

a. \_\_\_\_\_ (Initial) LESSEE elects **not to consult** an attorney prior to the execution of this AGREEMENT.

OR

b. \_\_\_\_\_ (Initial) LESSEE has consulted an attorney prior to the execution of this AGREEMENT, and after consultation, desires to enter into this AGREEMENT.

**18. ENTIRE AGREEMENT.** This Agreement contains the entire agreement between COMPANY and LESSEE, no other representation having

induced LESSEE to execute this Agreement. This Agreement may be amended only by a writing signed by COMPANY and LESSEE. LESSEE acknowledges that this agreement supersedes all prior agreements between LESSEE and COMPANY.

**19. VENUE AND CHOICE OF LAW.** It is expressly agreed and stipulated by the parties that this agreement shall be governed by and construed in accordance with the laws of State of \_\_\_\_\_ (exclusive of its conflict of laws provisions). The only venue for any litigation arising between or among the parties to this agreement, whether in tort or contract, shall be in \_\_\_\_\_ County, \_\_\_\_\_. Each party hereby waives all rights to mediation and/or arbitration, and further waives any right to jury trial.

## **20. DEFINITIONS.**

a. **"The Vehicle"** means the Vehicle identified in Exhibit A to this Agreement.

b. **"Taxicab Service"** means demand-response, ground transportation service in a vehicle licensed by one or more jurisdictions as a taxicab, and other than in a vehicle providing publicly scheduled service, if operated pursuant to the terms of this Agreement.

c. **"Service Agreement"** means any agreement under which COMPANY agrees to provide Taxicab Service to third parties. Participation by LESSEE in the business that is available through or because of a Service Agreement is voluntary. If LESSEE voluntarily participates, LESSEE does so under the terms of the Service Agreement and subject to meeting prerequisite and procedural requirements reasonably imposed by COMPANY.

d. **"Affiliated Company"** means COMPANY and any and all companies related through ownership interest to COMPANY, including but not limited to, COMPANY's parent, sister, and subsidiary companies.

e. **"Customer Information"** means information known to LESSEE regarding the identity of individuals or entities that have utilized or have expressed a desire to utilize the services of LESSEE or any other person leasing a vehicle from any Affiliated Company.

f. **"Confidential Information"** means information or material proprietary to any Affiliated Company or designated as confidential information by an Affiliated Company that LESSEE may obtain knowledge of or access to as result of operating the Vehicle under this Agreement. This includes but is not limited to the following types of information, (whether or not reduced to writing): Customer Lists, Customer Information, procedures or knowledge unique to COMPANY or the operation of taxicab vehicles under written agreement with any Affiliated Company. Information commonly known by taxicab drivers shall not be Confidential Information.

g. **"Independent Lessee"** means a person who, in pursuit of an independent business undertakes to do specific work for another person, using his own means and methods without submitting himself to the control of such other person with respect to the details of the work and who represents the will of such other person only as to the result of his work and who represents the will of such other person only as to the result of his work and not as to the means by which it is accomplished.

h. **"Acceptable Driving Record"** means any record (and the aggregate of all such records) obtained by COMPANY or its agent from any government agency, insurance company or other person, of LESSEE's history of (1) being licensed as a driver, including as a driver of any vehicle licensed to carry passengers or property; (2) accidents (regardless of fault); or (3) other conduct that would lead COMPANY to believe LESSEE does not pose an unreasonable risk of harm, under the circumstances, to others while operating the Vehicle. Notwithstanding the preceding sentence, LESSEE does not have an Acceptable Driving Record if COMPANY'S insurer will not provide insurance for any risks incurred while LESSEE is driving the Vehicle.

i. **"Unreasonable Risk of Harm"**: LESSEE poses an unreasonable risk of harm if COMPANY believes in good faith that LESSEE has: (1) not maintained an Acceptable Driving Record; or (2) been involved in activity which would lead COMPANY to believe LESSEE would harm passengers or pose an unreasonable risk of harm to passengers or others as a result of operation of the Vehicle.

j. **"Permit"** is defined as the permit, operating authority, document, tag, or other item that is evidence of the regulatory authority's authorization for COMPANY to permit the Vehicle to be operated as a taxicab.

k. **"Unauthorized Driver"** is defined as anyone: (1) operating the Vehicle who has not entered into a written agreement, approved by COMPANY, with LESSEE for the operation of the Vehicle; or (2) who has not been authorized in writing by COMPANY to enter into the written agreement with LESSEE for the operation of the Vehicle.

## **20. MISCELLANEOUS PROVISIONS.**

a. COMPANY and its successors and assigns are intended as, and constitute, beneficiaries of the terms and provisions of this Agreement, and any action instituted to compel compliance with any of its terms and provisions and/or for the recovery of damages may be brought by COMPANY or any of its successors and assigns.

b. LESSEE agrees that failure to maintain an Acceptable Driving Record throughout the term of this agreement is a breach by LESSEE of this Agreement.

c. LESSEE agrees the operation of the Vehicle by someone who is not authorized by COMPANY would be a breach of the terms of the Agreement. LESSEE further acknowledges any unauthorized driver **is not** covered by any insurance provided under this Agreement. If the Vehicle is operated by an unauthorized driver, LESSEE agrees to indemnify and hold harmless each Affiliated Company from any damages which any Affiliated Company may at any time incur, sustain, or for which any of the Affiliate Company may become liable by reason of any incident(s) directly or indirectly related to the operation of the Vehicle by any unauthorized driver.

d. **HEADINGS:** The heading and organization of this Agreement are for convenience only and shall not be construed as substantive in nature.

e. **QUALIFIED PARTICIPATION:** LESSEE acknowledges that some of the business that may be available to LESSEE under certain Service Agreements may require certain qualifications as a prerequisite to performing the transportation services, and that LESSEE has no claim against COMPANY for its unwillingness to provide him/her access to any such business for which he/she is not qualified.

f. **THEFT OF GOODS OR SERVICES:** LESSEE agrees that his/her refusal or failure to pay amounts due under this agreement while at the same time retaining possession of the Vehicle constitutes theft by LESSEE. LESSEE acknowledges and understands criminal charges may be filed against LESSEE should LESSEE retain possession of the Vehicle while failing or refusing to pay amounts due under this agreement.

g. **CHARGES AND CREDITS:** LESSEE acknowledges and certifies to COMPANY that any charges of credits applied to LESSEE's account are true, correct, and accurate. LESSEE accepts full responsibility for fraudulent, inaccurate, or inconsistent charges or credits. LESSEE acknowledges that if LESSEE participates knowingly in any manner with fraudulent charges or credits, said knowing actions would breach this Agreement, and could expose LESSEE to civil and criminal remedies.

h. **INTERFERENCE WITH COMPANY'S ABILITY TO PROVIDE SERVICE:** LESSEE agrees not to act in any manner that would interfere with COMPANY's ability to provide services to LESSEE or other Independent Lessee drivers. LESSEE and COMPANY agree that any communication to or contact with COMPANY's employees or representatives which could reasonably be construed as abusive or harassing will interfere with COMPANY's ability to provide services to other Independent Lessee drivers. LESSEE further agrees that any complaints with regard to COMPANY's performance under this agreement shall promptly be brought to the attention of one of the COMPANY's managers who would have the authority to correct any breaches of this agreement by COMPANY.

i. **RIGHTS AND BENEFITS:** LESSEE acknowledges that all rights and benefits provided under this agreement apply only if and when LESSEE is operating the Vehicle, and do not apply when LESSEE is operating any other vehicle.

**EXECUTED** as of the date first above written.

**COMPANY**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Name  
Title

**LESSEE**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Social Security No. \_\_\_\_\_



EXHIBIT A

**This is Exhibit A to the Agreement between LESSEE and COMPANY date \_\_\_\_\_, 20\_\_ (“the Lease Agreement”)**

COMPANY agrees to LEASE the Vehicle identified in this Exhibit A to LESSEE, subject to the terms and conditions of the Lease Agreement, and subject to the fees set forth below.

Year, Make, and Model: \_\_\_\_\_

VIN: \_\_\_\_\_

Color: \_\_\_\_\_

**Lease Period:** \_\_\_\_\_

**Lease Fees:** \$\_\_\_\_\_ per Lease Period

**Credit/Voucher Processing Fee:** \_\_\_\_% [or] \$\_\_\_\_ per voucher