

Agreement # _____

Dealer # _____

VEHICLE LEASE AGREEMENT

This is a lease agreement ("Lease") between _____ (Name and address of Lessee)

_____ as Lessee and _____ as Co-Lessee and _____ (Name and address of Co-Lessee)

_____ as Lessor. (Dealer Name, Address, and GST Registration Number)

In this Lease, the words "you" and "your" refer to the Lessee and any Co-Lessee and each of you named above will be jointly and severally liable for all of your obligations in this Lease. The words, "we", "us", and "our" refer to the dealer and once this Lease is assigned, refer to Honda Canada Finance Inc. (HCFI).

This is an agreement to lease the vehicle described below with any attachments or accessories. This is a lease only. This is not a purchase agreement. You do not own the vehicle.

By signing this Lease you agree to lease the vehicle described below on the terms and conditions set out on the front and back of this Lease.

NEW OR USED	YEAR	MAKE	MODEL	CYL.	LICENCE NUMBER	COLOUR	VEHICLE IDENTIFICATION NUMBER
Primary Use of Vehicle				Equipped with:			
<input type="checkbox"/> Personal, Family, Household				<input type="checkbox"/> Auto Transmission		<input type="checkbox"/> Manual Transmission	
<input type="checkbox"/> Business				<input type="checkbox"/> Air Conditioning		<input type="checkbox"/> Alloy Wheels	
<input type="checkbox"/> Agricultural				<input type="checkbox"/> Stereo		<input type="checkbox"/> Compact Disc Player	
				<input type="checkbox"/> Sun Roof		<input type="checkbox"/> OTHER EQUIPMENT (List)	

DELIVERY RECEIPT

You acknowledge that you have received and examined the vehicle described above. The vehicle is equipped as described and is in good operating order and condition and you accept it for all purposes of this Lease.

Date: _____ Odometer Reading _____

Lessee's Signature _____ Co-Lessee's Signature _____

<p>1. COST OF LEASE DISCLOSURE</p> <p>a) Leased Vehicle Price (Includes amounts for additional equipment, accessories, freight, pre-delivery inspection and air tax but does not include PST or GST/HST.) \$ _____</p> <p>b) Optional Extended Warranty +\$ _____</p> <p>c) Optional Life Insurance +\$ _____</p> <p>d) Optional Disability Insurance +\$ _____</p> <p>e) Other (Describe) _____ +\$ _____</p> <p>f) Lease Cost Subtotal =\$ _____</p> <p>g) Less: Cash Down Payment -\$ _____</p> <p>h) Less: Trade-In Allowance \$ _____</p> <p>i) Lien Amount -\$ _____</p> <p>j) Net Trade-In Allowance -\$ _____</p> <p>k) Net Leased Vehicle Price =\$ _____</p> <p>l) Less: Residual Value -\$ _____</p> <p>m) Amount To Be Amortized =\$ _____</p> <p>2. LEASE RATE AND CHARGES</p> <p>a) Total Lease Charges (Annual Lease Rate of _____%) \$ _____</p> <p>3. MONTHLY PAYMENT CALCULATION</p> <p>a) Base Monthly Lease Payment (1m + 2a) ÷ 3e \$ _____</p> <p>b) GST/HST _____% (if applicable) +\$ _____</p> <p>c) PST _____% (if applicable) +\$ _____</p> <p>d) Monthly Payment =\$ _____</p> <p>e) Number of Monthly Payments # _____</p> <p>f) Total of Monthly Payments (3d x 3e) \$ _____</p> <p>The term of this Lease is _____ months. Your first Monthly Payment is due when you sign this Lease. Your remaining _____ Monthly Payments of \$ _____ are due on the _____ day of each month thereafter.</p>	<p>4. LATE CHARGE</p> <p>You will pay a late charge of 5% on any Monthly Payment that is not received within ten (10) days after it is due. This late charge is due and payable immediately. Any of your electronic funds transfer debits or cheques returned unpaid for any reason will result in an additional \$25.00 service fee.</p> <p>5. TOTAL COST DUE UPON DELIVERY</p> <p>a) First Monthly Payment (3d) \$ _____</p> <p>b) Refundable Security Deposit \$ _____</p> <p>c) Cash Down Payment (1g) +\$ _____</p> <p>d) Net Trade In Allowance (1j) +\$ _____</p> <p>e) GST/HST _____% on 5c plus 5d +\$ _____</p> <p>f) PST _____% on 5c plus 5d if applicable +\$ _____</p> <p>g) Registration Fee +\$ _____</p> <p>h) Licence Fee +\$ _____</p> <p>i) Other (Describe) _____ +\$ _____</p> <p>j) Other (Describe) _____ +\$ _____</p> <p>k) Other (Describe) _____ +\$ _____</p> <p>l) Other (Describe) _____ +\$ _____</p> <p>m) Total Due Upon Delivery =\$ _____</p> <p>6. TOTAL COST OF LEASE TRANSACTION \$ _____</p> <p>The Total Cost of Lease Transaction upon completion if you do not elect to purchase the vehicle is 3f + 5m - (5a + 5b) providing all terms and conditions met.</p> <p>7. OPTION TO PURCHASE / RESIDUAL VALUE</p> <p>You have the option to purchase the vehicle without penalty if you are not in default under section 18. The purchase price at Lease maturity will be \$ _____ (the residual value) plus any applicable taxes, fees, and all costs related to the registration and certification of the vehicle. To exercise this purchase option please contact the Dealer named in this lease 15 days prior to lease maturity.</p> <p>8. EXCESS KILOMETERS CHARGE</p> <p>If you do not exercise your option to purchase the vehicle at Lease Maturity, you agree to pay us an excess kilometer charge of _____ cents per kilometer, plus applicable taxes, for each kilometer driven in excess of _____ kilometers. If the Lease is terminated before maturity, the maximum kilometer allowance will be prorated for the period for which the Lease was in effect.</p>
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HCFI PRE-AUTHORIZED DEBIT PLAN

You hereby authorize HCFI to make withdrawals from and/or deposits to your account indicated below or any other account that you may indicate to HCFI from time to time, for payment of all amounts due under this Lease. This authorization may be cancelled at any time by HCFI or by you upon ten days written notice. Delivery of this authorization constitutes delivery by you.

Bank: _____ Transit No. _____ Account No. _____

Lessee Signature: _____ Other Account Signatory _____

All account signatories must sign if more than one signature is required to operate the account.

NOTE: YOU MUST ATTACH SAMPLE CHEQUE MARKED "VOID"

NOTICE TO YOU: (1) Do not sign this Lease before you read it or if it has any blank space to be filled in. (2) You state that you have been given a filled-in copy of this Lease at the time you signed it and notice of the assignment of this Lease by Dealer to HCFI. (3) You consent to a credit investigation and exchange of credit information. (4) Where permitted by law, you waive the right to receive a copy of any financing statement, financing change statement, or verification statement relating to this Lease.

You signed this Lease and received a copy hereof on _____, _____

LESSEE SIGNATURE _____ CO-LESSEE SIGNATURE _____

Dealer accepts this Lease and sells, assigns, and transfers all right, title, and interest in this Lease and the vehicle described herein to HCFI under the terms of the HCFI Dealer Lease Plan Agreement.

Authorized Dealer Signatory _____ Title _____

9. INSURANCE

At all times during the term of this Lease you must at your expense obtain and maintain the following minimum insurance coverages through a carrier acceptable to us:

- a) Public liability for bodily injury or death or damage to the property of others for **\$1,000,000** per claim regardless of the number of claims from any one accident.
- b) Collision insurance with a maximum deductible of **\$1,000**.
- c) Comprehensive fire and theft insurance with a maximum deductible of **\$1,000**.

The insurance coverage must be confirmed annually to HCFI. The insurance coverages must name HCFI as an **additional insured** and **loss payee**. The policy must also provide HCFI with at least ten (10) days advance notice of any cancellation of coverage. You assign to HCFI any monies paid under the insurance, by whomever obtained. You authorize HCFI to receive or collect any money paid under the insurance, endorse cheques or drafts relating to the payment, cancel the insurance or settle or release any claim with respect to the insurance. If for any reason insurance is not maintained or coverage denied, you will remain liable to us for all amounts owing.

10. SECURITY DEPOSIT

Your security deposit will not earn interest. We will deduct any amounts not paid by you under this Lease from your security deposit and the balance, if any, will be refunded to you at Lease termination.

11. OFFICIAL FEES AND TAXES

You agree to pay all fees, charges or taxes assessed in respect of the Lease or vehicle by any government authority. We have the right but not the obligation to pay any or all such fees, charges and taxes on behalf of you and you will owe to us such amounts. We may change your Monthly Payment without prior notice for increases or decreases in taxes.

12. USE OF VEHICLE

You must not use or permit the use of the vehicle:

a) for any unlawful purpose, in violation of any law, for hire or as a public conveyance; **b)** by unlicensed or uninsured drivers; **c)** or garage the vehicle outside Canada for a period exceeding 30 days without the Lessor's prior written consent; **d)** in a way that causes cancellation or suspension of insurance or causes the manufacturer's warranty to become void; or **e)** to pull trailers that exceed the manufacturer's specifications.

13. WARRANTY

The vehicle is subject only to any applicable manufacturer's warranty and/or any extended warranties purchased by you. You acknowledge that there are no expressed or implied warranties as to merchantability or fitness of the vehicle for any particular purpose. HCFI does not offer any warranty on the vehicle, and is not responsible for the performance of any dealer services.

14. MAINTENANCE AND REPAIRS

You agree to maintain, service, and repair the vehicle at your own expense. You agree to follow the owner's manual and maintenance schedule and to make all necessary repairs. You also agree to comply with the manufacturer's request in any recall campaign so as to keep the manufacturer's warranty in effect. You will not alter, mark, remove, or install equipment in the vehicle without our prior consent. All costs incurred in restoring the vehicle to good working condition and appearance will be your responsibility. You agree to allow us to inspect the vehicle at any reasonable time and place.

15. EXCESS WEAR AND TEAR

Normal wear and tear is anticipated, however, you will pay the estimated cost for all damage to the vehicle that is not normal wear and tear. Damage includes, but is not limited to, dents, paint damage, missing equipment that was part of the vehicle when delivered, cracked or chipped glass, any tires that do not match or have less than 3.3 millimeters of tread remaining at the shallowest point, mechanical damage, holes, tears or burns to upholstery, and/or any total damage that costs more than \$100.00 to repair or replace.

16. SCHEDULED TERMINATION

- a) **If you purchase the vehicle at Lease maturity**, and are not in default, you must pay us the residual value (Section 7) plus applicable taxes, fees, and all costs related to the registration and certification of the vehicle.
- b) **If you do not purchase the vehicle at Lease maturity**, and are not in default, you must return the vehicle to the dealer or a place specified by us. Upon return of the vehicle, if you are not in default, you will pay us:
 - 1) any excess kilometer charges as explained in Section 8 and
 - 2) the cost of any damages to the vehicle as outlined in Section 15, plus any applicable taxes.

17. EARLY TERMINATION

- a) **If you want to exercise your option to purchase the vehicle prior to lease maturity**, and are not in default, you may do so without penalty. In order to purchase the vehicle you must pay us the Unamortized Net Leased Vehicle Price, plus applicable taxes, fees, and costs related to the registration and certification of the vehicle. The Unamortized Net Leased Vehicle Price is the sum of all remaining monthly payments plus the residual value, minus unearned lease charges.
- b) **If you wish to terminate this lease prior to maturity and you do not purchase the vehicle**, you must return the vehicle to the dealer or a place specified by us and pay us the difference between the Unamortized Net Leased Vehicle Price and the Fair Market Value of the vehicle plus any amounts due under this lease (including prorated excess kilometer charges). The Fair Market Value is the net amount we received from the sale of the Vehicle at wholesale in a commercially reasonable manner. You will also owe us any unpaid fees, taxes, and any amounts due because you have broken agreements in this lease. These amounts include any past due payments; any unpaid fines; any amounts needed to release liens or encumbrances; and maintenance, repair, or operating expenses we have paid; and any repossession and storage expenses and legal fees described in Section 18.

18. DEFAULT

You will be in default under this Lease if:

- a) You do not make a payment when it is due;
- b) You provided false or misleading information in your lease application;
- c) You fail to comply with any other agreements in this Lease;
- d) A proceeding in bankruptcy, receivership, or insolvency, is started by you or against you or your property or any of your creditors seize any of your property;
- e) You fail to comply with the insurance requirements of this Lease (Section 9);
- f) You die during the Lease term;
- g) You do not repair or maintain the vehicle as the Lease requires; or
- h) The vehicle is lost, stolen or destroyed.

If you are in default, you acknowledge that we may do any or all of the following without giving you advance notice, other than any notice which may be required by applicable laws:

- i) take any reasonable measures designed to either correct the default or to save HCFI from loss in which case you will pay us upon request for the cost and expenses incurred;
- j) terminate the Lease and your rights to possess and use the vehicle;
- k) take possession of the vehicle by any method or manner permitted by law;
- l) determine your termination liability which you agree to pay immediately upon request as set forth in Section 17;
- m) apply your security deposit to any amounts you owe; and
- n) pursue any other remedy permitted by law.

You also agree to pay HCFI for all collections and legal costs, including reasonable legal fees on a solicitor and his own client basis and court costs HCFI incurs.

19. TOTAL LOSS OF VEHICLE

In the event of a total loss insurance situation (i.e. the vehicle is stolen and not recovered or destroyed beyond repair), there may be a difference between your contractual obligation to pay for the vehicle and the amount of the automobile insurance settlement. Provided insurance coverage is maintained as in Section 9 and you are not in default as noted in Section 18 under this lease, automatic GAP PROTECTION will cover the deficiency in such a situation. GAP PROTECTION will not cover past due payments, insurance deductibles, late charges, fines, or any other miscellaneous fees.

20. FINES, LIENS AND ENCUMBRANCES

You agree to keep the vehicle free of all fines, liens and encumbrances at your expense. If you do not promptly pay any fines or remove any liens or encumbrances, we may do so and you will be charged for same.

21. INDEMNITY AGREEMENT

You assume all liability for, and will indemnify us, dealer and our respective assigns from, any loss or damage to the vehicle and all claims, losses and costs related to the use, operation, maintenance, or condition of the vehicle. You further agree that your obligation under this section will remain in effect if the Lease is terminated, or the vehicle is repossessed or sold.

22. RIGHT OF PROCEEDS

We may make any filings or registrations in any public office as we deem necessary to protect our interest in this Lease and the vehicle. You give us a security interest in any proceeds, refunds or rights you may have under any mechanical breakdown protection, or insurance contracts purchased by you with respect to this Lease or leased vehicle. You will notify us immediately of any change in your address or the province or territory in which you keep and use the vehicle.

23. GENERAL

This Lease contains the entire agreement between you and us and may not be amended in any way. The terms and conditions of this Lease are subject to laws of the province or territory where the Lease is signed by you. If any portion of this Lease is ruled invalid it will not affect the other provisions within the Lease.

You agree not to rent or assign this Lease, the vehicle or your right to use the vehicle. You understand that this Lease will be assigned by the dealer to HCFI and you agree that HCFI may assign this Lease without your consent. You agree to make all payments under this lease to HCFI. You agree that HCFI is not responsible for the performance of any dealer services.

To the extent permitted by law this agreement shall be considered a true lease and if you are a corporation you waive all benefits, rights and protection under the Limitation of Civil Rights Act (Saskatchewan).