

MOTORCYCLE RENTAL TERMS AND CONDITIONS

These Rental Terms and Conditions are meant to regulate the contract to be established between A&K Motos e Turismo Ltda. EPP (A&K Motorcycle Rentals) and the customer renting a motorcycle (hirer). Conditions are general and the right to variations and supplemental provisions (to be made in written form) is reserved.

A&K Motorcycle Rentals has a trade license for its rental activity (CNPJ 15.243.600/0001-58) and is established in Canoas at the following address:

A&K Motorcycle Rentals
Rua Garibaldi, 869
Canoas – Rio Grande do Sul
Brasil – 92120-020 [Phone]: 05551 9198-4264
(e-mail) aeke@aeke.com (site) www.aekmotos.com

1. CONTRACT SUBJECT

The subject of the contract is the temporary use of A&K Motorcycle Rentals' motorcycle by the Hirer. A&K Motorcycle Rentals represents that to the best of its knowledge the rented motorcycle is in safe and sound condition and free of any faults or defects which would affect its safe operation under normal use.

2. MINIMUM RENTAL PERIOD

The minimum rental period is one day (24 hours). Any fraction of a day will be considered as a full day.

3. AGE OF HIRER AND MINIMUM RIDING EXPERIENCE

The Hirer must be 30 years of age or older and detain a valid motorcycle license for at least three years.

4. PRICES

Definitive prices are calculated and subject to the Hirer at the moment of reservation. Unless otherwise expressed, prices include unlimited mileage, civil liability (third party) insurance, self-damage or Collision Damage Waiver (CDW) and theft insurance or Theft Liability Waiver (TLW) Insurance from excess of the damage deposit, Roadside Assistance Insurance, the use of a luggage solution, the use of a helmet and all fiscal taxes legally applicable.

5. RESERVATION AND PAYMENT TERMS

At the moment of reservation the Hirer will pay 50% of the total rental cost in order to assure the availability of the rented motorcycle. The remaining 50% must be paid on picking-up the motorcycle.

6. MOTORCYCLE AVAILABILITY

A&K Motorcycle Rentals will commit to assure the availability of the rented motorcycle for the rental period. If, by unforeseen circumstances, A&K Motorcycle Rentals is unable to provide the Hirer with the model of motorcycle reserved, the closest equivalent model will be offered. If said closest equivalent model has a lesser rental value than the originally reserved model, a refund for

the difference will be granted by A&K Motorcycle Rentals. If the rental value of the replacement model is higher than the originally reserved model, no upgrade surcharge is to be supported by the Hirer.

7. CANCELLATION

If the Hirer cancels his reservation with more than a month's notice (before the start of the rental period), half of the reservation fee will be refunded by A&K Motorcycle Rentals. With less than 30 days anticipation no refund is to be granted. If the cancellation is partial, that is, if the Hirer cancels just a few days of his total rental period, this same cancellation policy applies for just the cancelled days.

8. RESCHEDULING

The Hirer may reschedule his reservation for a surcharge and depending on the availability of the rented motorcycle on the new dates. The surcharge is 15% of the total rental cost and a minimum of 100 dollars.

9. PICK UP AND RETURN

These are free at A&K Motorcycle Rentals office in Rua Garibaldi, 869, Canoas/RS, 92120-020, Brasil, during working hours (7 a.m. until 10h p.m.) A&K Motorcycle Rentals can assure delivery or collection of the motorcycle at a different place if the parts agree.

10. RENTAL TERM

The rental ends on the day, time and place established on the rental contract. If the Hirer wants to extend the rental period he must contact A&K Motorcycle Rentals with at least 24 hours advance. A&K Motorcycle Rentals may or may not authorize the extension of the rental period. If A&K Motorcycle Rentals is unable to authorize the extension of the rental period and the motorcycle is not returned on the contractual term, its disappearance will be reported to the authorities and punished under the traffic rules and Criminal Law.

11. HIRER'S RESPONSIBILITIES

The Hirer is responsible to make sure he is legally able to ride the motorcycle. A valid driver's license must be presented by the Hirer. This license must be valid through all the countries the Hirer intends to ride the hired motorcycle.

The Hirer is responsible for all fines and legal costs for traffic and other legal violations caused through Hirer's fault during rental period. A&K Motorcycle Rentals will later charge the Hirer any tickets and has the legal obligation to inform the authorities of the Hirer's identity and details.

It is the Hirer's responsibility to assure that the rented motorcycle:

- a) will be used according to the manufacturers recommendations
- b) will be used in full respect by the road codes of the countries it is ridden at
- c) will not be operated in a negligent manner
- d) will not carry passengers in excess of the homologated capacity
- e) will not be used in race or competition conditions
- f) will not be used for illegal purposes
- g) will not carry passengers and luggage in excess of its rated weight carrying capacity

h) will not be operated by anyone except the riders declared in the rental contract

i) will not be used if its mechanical condition is considered unsafe

j) will not be operated when the Hirer's physical condition is impaired by alcohol, drugs, fatigue or illness

12. EXCESS CHARGES

In case of accident or damages, the Hirer shall fully indemnify A&K Motorcycle Rentals for any and all loss or repairs to the motorcycle up to the amount of the Damage Deposit. In case of theft of the motorcycle or parts thereof, the Hirer is also responsible up to the amount of the Damage Deposit.

13. DAMAGE DEPOSIT

When reserving a rental, the Hirer will be informed of a mandatory Damage Deposit value. This Damage Deposit will be made in cash before the start of the rental period or it can be replaced by an authorization operation on the Hirer's credit card. At the end of the rental period, eventual damage repair value will be deducted from the Damage Deposit and the balance refunded to the Hirer. On absence of damages the full amount of the Damage Deposit is returned to the Hirer.

14. THEFT LIABILITY WAIVER

Theft Liability Waiver (TLW) is included in the rental. The Damage Deposit referred in 12. is also applicable in case of Theft. TLW does not exempt the Hirer from due care, namely from the obligation of always locking the steering of the motorcycle and removing the keys.

15. CONSUMABLES

The motorcycle is supplied by A&K Motorcycle Rentals with a full gas tank and must be returned by the Hirer as such. The motorcycle will be supplied by A&K Motorcycle Rentals with tires, brake pads and its general maintenance plan performed to withstand the hirer's planned itinerary.

16. MECHANICAL FAILURE

In case of mechanical failure, the Hirer must contact A&K Motorcycle Rentals with his accurate location and details concerning the failure. If a repair is necessary and possible the Hirer must receive A&K Motorcycle Rentals consent before proceeding with the repair. If a repair is not possible, A&K Motorcycle Rentals will strive to replace the broken down motorcycle in the least possible time.

If a replacement is not possible, A&K Motorcycle Rentals will refund the rental fee corresponding to the period when a mechanical failure immobilized the rented motorcycle and the service wasn't assured to the Hirer by a replacement motorcycle.

A&K Motorcycle Rentals is not responsible for loss of time produced by accidents or mechanical failures that may slow or stop the hirer's holidays or travel plans.

17. INSURANCE

Prices include liability (third party) insurance, CDW and TLW valid in Brasil. If the Hirer wishes to ride somewhere else, an agreement must be made in writing with A&K Motorcycle Rentals which will provide a valid insurance for the desired territory. The Hirer is responsible for damages on the rental vehicle up to the amount of the Damage Deposit provided.

In any case, the client will be fully responsible for the totality of damages on the rented motorcycle if:

- the motorcycle is ridden by someone else than the riders designated on this contract.
- the designated rider is not legally habilitated to ride.
- the rented motorcycle is intentionally damaged by the client or person of whom the client is responsible.
- the motorcycle is ridden under influence of alcohol, drugs or any kind of toxic substance.
- the motorcycle is damaged as a result of attempted stealing.
- the motorcycle is damaged as a result of vandalism.
- the motorcycle is used in sports events (official or any other kind).
- the motorcycle is involved in an accident and the client fails to notify A&K Motorcycle Rentals in the shortest possible time.

18. ACCIDENTS

If the Hirer gets involved in a road accident, he should proceed as follows:

- If there are injured persons, call the national emergency number (191 in Brasil) and assist the victims as best as he can.
- Call the authorities, and note all details of the involved vehicles. Note their names, addresses, telephone numbers, drivers license numbers and issuing authorities, make, model, color and license plate of vehicles, insurance details (Insurance company and policy number). Note other relevant details. Collect testimonies contact details and get an authorities report on the accident.
- Notify A&K Motorcycle Rentals and get instructions for any diligences that may be necessary for Insurance claiming.

19. TERRITORY

Liability insurance, CDW, TLW and Roadside Assistance will cover riding in Brasil. Riding to other Mercosul countries may be authorized by A&K Motorcycle Rental. To some countries this may imply a surcharge. If the Hirer intends to ride to other countries he is requested to inform his intention with two weeks advance so that A&K Motorcycle Rentals can assure the necessary legal actions. If A&K Motorcycle Rentals becomes aware of an exit to an unauthorized country the Hirer will be charged 10.00 dollars per km traveled outside the contracted territory and will be responsible for all damage (to the rented motorcycle or third party) that may occur in this period.

20. DOCUMENTATION

A&K Motorcycle Rentals will deliver all necessary documents, namely registration, proof of ownership and insurance title. Hirer is responsible for this

documentation during the rental period and must return the documents. A loss of any of these documents incurs in a replacement fee of 200 dollars/document.

21. TRACKING

For safety reasons, motorcycles in A&K Motorcycle Rentals fleet may be equipped with GPS tracking devices. Any attempt of disassembling or damage these devices will be reported to the authorities and punished under Criminal Law.

22. RULLING COURT

Both Hirer and A&K Motorcycle Rentals agree that any litigation derived from this contract should be filled solely at Tribunal da Comarca de Canoas, in Rio Grande do Sul, Brasil.