



Certified AutoGlass Service Program (CAGS) Agreement

BETWEEN:

THE AUTOGLASS DIVISION OF THE AUTOMOTIVE RETAILERS ASSOCIATION UNIT #1 8980 FRASERWOOD COURT BURNABY BRITISH COLUMBIA CANADA V5J 5H7, herein referred to as the "ARA".

AND:

NAME AND ADDRESS OF CERTIFIED AUTOGLASS SERVICE PROGRAM PROVIDER,
herein referred to as "PROVIDER".

WHEREAS:

A) The ARA in consultation with the auto glass industry has established a program called the Certified AutoGlass Service Program, referred to as CAGS (administered by the ARA) to give certification status to certain auto glass facilities which meet the certification standards established by the auto glass industry.

B) The PROVIDER has submitted an application for certification, to be approved by the ARA.

REQUIREMENTS FOR CERTIFICATION

Any auto glass provider who wishes to become certified must submit a completed application together with the application fee to the ARA for approval. If the PROVIDER meets the criteria for certification, the ARA will assign a PROVIDER number.

Each PROVIDER must meet and maintain the requirements set out in the Certified Auto Glass Program Guide.

During the term and any renewal of this agreement the PROVIDER shall maintain the highest standards of Quality, Safety and Service to protect the motoring public and the auto glass industries reputation and goodwill and will refrain from deviating from the program or from otherwise operating in any manner which may adversely reflect on the program.

TERMS AND RENEWAL

The initial term of this agreement shall be for a 1 year period effective from the Providers certification start date.



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This agreement will be renewed for consecutive renewal terms of not less than 1 year each but in any event, equivalent to renewal terms generally being offered by the ARA at the time of renewal provided that each of the following conditions are met prior to the expiration term being renewed:

- (a) neither party has given to the other written notice of intention not to renew at least three (3) months prior to the end of the term being renewed;
- (b) the PROVIDER is not, at the expiration of the term being renewed, in default of any provision of this agreement;
- (c) at the request of the ARA, the PROVIDER shall execute the ARA's current standard PROVIDER form which may contain terms and conditions substantially different from those contained in this agreement , including the requirement for payment of a renewal fee and upgrades of facilities; and
- (d) the PROVIDER may terminate this agreement or any renewal hereof by providing thirty (30) days prior written notice to the ARA.

The PROVIDER hereby grants to the ARA and its agents the right to enter upon the premises of the PROVIDER at any reasonable time for the purpose of conducting audits/inspections. The PROVIDER further agrees to take such steps as may be required to correct any deficiencies detected:

- (a) during such an audit/inspection within thirty(30) days of the date of the audit/inspection; or
- (b) at any other time within thirty (30) days of the written request of the ARA ; or
- (c) such longer period of time as deemed appropriate by the ARA given the nature of the deficiencies.

TERMINATION

The PROVIDER shall be deemed to be at fault under this agreement and the ARA may, at its option, terminate this agreement and all rights granted herein effective immediately, without notice or prior opportunity to cure the default if the PROVIDER:

- (a) makes false statements in the application;
- (b) fails to maintain the current minimum requirements for certification;
- (c) breaches this agreement in any manner;
- (d) has not rectified such defaults to the program within thirty (30) days or such longer period as deemed appropriate by the CAGS committee;
- (e) uses the proprietary marks in a manner which is not consistent with the program guidelines;
- (f) makes an intentional, negligent or fraudulent misrepresentation to the PROVIDER's customers insurance companies or the ARA
- (g) fails to complete glass replacement, repairs and related work (as per the vehicle manufacturers recommendations) required to make a vehicle roadworthy;



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- (h) fails to complete warranty repairs and provide each customer a guarantee in the form approved as set out in the program guide
- (i) fails to comply with personnel or equipment requirements set out in the program guide; or
- (j) is involved in or other proceedings for the relief of creditors or any petition under the bankruptcy act of Canada, or if the PROVIDER is placed in the possession of a receiver or any Government agency, or if the PROVIDER makes an assignment for the benefit of creditors or ceases to do business as an operating glass service provider
- (k) fails to comply at all times with applicable Federal, Provincial and Municipal laws and regulations, including without limitations those relating to health, safety and the environment.

If the PROVIDER is in default of any one or more of the requirements of this agreement then the CAGS committee may elect to take one or more of the following actions:

- (a) terminate this agreement immediately;
- (b) permit the PROVIDER to operate under the terms of the agreement until the certification appeals committee renders a decision on an appeal from the PROVIDER

The ARA will provide written notice to the PROVIDER of the default under this agreement.

APPEALS FROM TERMINATION AND LOSS OF CERTIFICATION

The PROVIDER may appeal the termination notice by sending a notice in writing stating the reasons for appeal to the ARA. The ARA must receive this notice within thirty (30) days from the date of the PROVIDER receipt of the ARA notice. The decision of the CAGS committee shall be forwarded to the PROVIDER within sixty (60) days of the receipt of the appeal from the PROVIDER.

The CAGS committee shall meet on an ad hoc basis as required to review appeals and decisions.

The members of the certification committee will consist of;

- (a) CAGS Program Manager
- (b) 3 members of auto glass industry
- (c) an Industry stakeholder

PROVIDER OBLIGATIONS ON TERMINATION OR EXPIRATION

Upon termination or expiration of this agreement, the PROVIDER shall cease to be certified and shall;



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- (a) Immediately cease to use directly or indirectly in advertising or in any manner whatever, the proprietary marks or any other identifying characteristics of the program. The PROVIDER shall remove proprietary marks in any advertising. If the PROVIDER fails to initiate immediately and complete such changes when required by the ARA, then the PROVIDER agrees that the ARA or its designated agents may enter the business and adjacent areas at any time to make such changes at the PROVIDER's sole risk and expense, without liability for trespass or other tort or criminal act. The PROVIDER acknowledges that its failure to make such changes will cause injury to the certification program.
- (b) return to the ARA all materials and documentation relating to the operation of the program.

UPON TERMINATION OF THIS AGREEMENT, THE PROVIDER CANNOT SUBMIT A NEW APPLICATION TO THE ARA:

- (a) For the period of time specified by the ARA in its termination notice;
- (b) If the PROVIDER appeals this termination notice, then for the period of time specified by the CAGS committee in its decision under no circumstances will the PROVIDER be able to make a further application for a period of 6 months.

PROPRIETARY MARKS

- (a) The PROVIDER acknowledges that the ARA is the sole owner of the proprietary marks and agrees that any unauthorized use of the marks is and shall be deemed to be an infringement of the rights of the ARA.
- (b) It is agreed that the right granted herein to the PROVIDER to use the proprietary marks applies only to the use of this program and may be used on all signs, forms, stationery and other material used in connection with the program as prescribed by the ARA.
- (c) The PROVIDER shall not use any of the marks as any part of the PROVIDER corporate or other legal name in any content what so ever.

PROGRAM MATERIALS

The ARA may from time to time revise the contents of the program materials, as it deems necessary or appropriate. The PROVIDER expressly agrees to comply with each revised standard.

INDEMNIFICATION

The PROVIDER shall indemnify and save the ARA and its directors, officers, employees and agents harmless from all fines, suits, proceedings, claims, demands or actions of any nature or kind whatsoever, directly or indirectly arising out of or in any manner whatsoever associated or connected with any work or services performed for any customer of the business by the PROVIDER.



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RELATIONSHIP OF PARTIES

It is understood and agreed that the status of the PROVIDER shall be that of an independent contractor. The PROVIDER shall have no authority to assume or create any obligation whatsoever, expressed or implied, in the name of the ARA nor to bind the ARA in any manner whatsoever.

TRANSFERABILITY OF INTEREST

The PROVIDER understands and acknowledges the rights and duties created by this agreement are personal to the PROVIDER and that the ARA has granted certification in reliance on the individual(s) of the PROVIDER and if a corporation on its principals. The PROVIDER will notify the ARA in writing of a change in the company ownership if the change in ownership is more than the controlling shares. The transfer of the certification is not transferable without the written consent of the ARA.

ACKNOWLEDGEMENTS

The PROVIDER acknowledges that it has investigated the program content and understands that the program does not guarantee a potential increase in business/profits.

The PROVIDER acknowledges that it has read and understood the contents of this agreement and will abide by the program conditions.

CERTIFIED AUTOGLASS SERVICE PROVIDER

Per: _____

Date: _____

AUTOMOTIVE RETAILERS ASSOCIATION

Per: _____

Date: _____