



Bicycle Subscription Service Terms & Conditions

September 18, 2023

Please read the following carefully before using GroBikes' services. The following terms and conditions comprise the legally binding agreement (the "Agreement") between the user of GroBikes' services (the "Subscriber") and GroBikes Inc. ("GroBikes") governing the Subscriber's use of the Subscription services. By accepting these terms and conditions (including the release) and by taking possession of the Bicycle(s) (defined below), the Subscriber is agreeing to all the terms. The Subscriber acknowledges and agrees as follows:

1. **Subscription.** Subject to the terms of this Agreement (including the release), GroBikes hereby supplies to the Subscriber one or more Bicycle(s). The "**Bicycle(s)**" include any bicycle that the Subscriber takes possession of including any Upsized Bicycle(s) and/or Replacement Bicycle(s) (defined below), including all attachments and accessories thereon.
2. **Term.** The term of this Agreement shall commence on the earliest date the Subscriber takes possession of the Bicycle(s) (the "**Effective Date**") and will continue until all Bicycle(s) are returned to GroBikes, unless this Agreement is terminated or extended in accordance with these terms. The supply term for each Bicycle shall commence on the date the Subscriber takes possession of the applicable Bicycle(s) (the "**Possession Date**") and continues for 12 months (the "**Original Term**") unless otherwise specified. The Original Term may be extended for successive 12-month periods (each a "**Renewal Term**") upon payment of the yearly Subscription Fee for the Renewal Term. GroBikes will contact the Subscriber in advance of the expiry of the Original Term or any Renewal Term to advise of the upcoming expiry. The Original Term and any Renewal Term is the "**Subscription Term**" for the applicable Bicycle(s). Unless otherwise agreed by GroBikes, at the end of the Subscription Term or upon earlier termination of this Agreement, the Subscriber shall promptly return the Bicycle(s) to GroBikes Inc., Unit 622, 380

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Alliance Avenue, Toronto, ON M6N 2H8 (the "**Return Location**") at a time mutually agreed to by GroBikes and the Subscriber.

If the Subscriber retains possession of the Bicycle(s) beyond the applicable Subscription Term, the Subscription Term for the applicable Bicycle(s) shall, at the discretion of GroBikes, be deemed to be on a month to month basis based on the Subscription Fee specified (adjusted as a monthly fee, if necessary) and on the same terms and conditions as contained herein, unless sooner terminated in accordance with this Agreement.

The Subscriber shall be and all Bicycles shall continue to be subject to the terms and conditions contained in this Agreement, until such terms and conditions have been fulfilled, and no cancellation or termination will affect rights or obligations in existence prior to such cancellation or termination.

3. **Acceptance.** The Subscriber shall inspect the Bicycle(s) prior to accepting the Bicycle(s) for the Subscriber's possession and use (or the Subscriber's child/children's use). If no defect or other objection to an item of the Bicycle(s) is identified at the time of inspection prior to the Subscriber taking possession of the Bicycle(s), the Bicycle(s) shall be deemed accepted by the Subscriber upon taking possession.
4. **Payment.** The Subscriber shall pay to GroBikes the subscription fee applicable to each Bicycle as set out at <https://www.grobikes.com> (the "**Subscription Fee**"), plus HST. All payments of the Subscription Fee shall be in Canadian Funds. The Subscriber can choose to pay the Subscription Fee as a single, annual payment ("**Annual Payment**"), or as a series of twelve (12) equal monthly payments ("**Monthly Payments**").

Subscription Fees payable as an Annual Payment shall be paid as follows: (a) the payment of Subscription Fee for the Original Term for each Bicycle shall be paid at the time the Subscriber takes possession of the Bicycle(s); and (b) subject to any adjustment provided under this Section 4, any subsequent Subscription Fee(s) shall be paid on or before the first day of any Renewal Term.

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Subscription Fees payable as Monthly Payments shall be paid as follows: (a) the first monthly payment shall be paid at the time the Subscriber takes possession of the Bicycle(s); (b) the second and subsequent Monthly Payments shall be paid at monthly intervals; (c) subject to any adjustment provided under this Section 4, subsequent Monthly Payments shall be paid on the same day of the month as the Possession Date or the last day of the current month, whichever is earlier; and (d) Monthly Payments will continue until the first day of any Renewal Term is reached.

If the Subscriber exercises their option to exchange Bicycle(s) as provided under Section 11, for Subscription Fees paid as an Annual Payment, the Subscriber shall pay to GroBikes on a pro-rata basis the Subscription Fee for the Upsized Bicycle(s) plus HST, less the Subscription Fee plus HST already paid for the Subscription Term. For Subscription Fees paid as Monthly Payments, the Subscriber shall pay to GroBikes the Subscription Fee for the Upsized Bicycle(s) plus HST at all subsequent monthly payment intervals.

GroBikes may, at least 30 days prior to the next Annual Payment or Monthly Payment, adjust the Subscription Fee.

If during this Agreement the Subscription Fee of any Bicycle increases, the increase shall apply to any subsequent Subscription Fee during any Renewal Term, subsequent Monthly Payments, or to any additional Bicycle Subscription Service Agreement(s) entered into after the rate increase. The Subscriber acknowledges that larger Bicycles may have higher Subscription Fees.

5. **Repair and Loss Deposit.** In addition to the payments referred to in Section 4, the Subscriber shall pay a one-time deposit in the amount of \$100 for each Bicycle(s) on or before the Effective Date. GroBikes shall return the Repair and Loss Deposit at the end of the Subscription Term for the applicable Bicycle(s) and upon the return of those Bicycle(s) in accordance with the terms of this Agreement, save and except if GroBikes is required to apply any portion (or all) of the Repair and Loss Deposit to cover any amounts due under this Agreement.

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6. **Use of Certain Amounts.** Any Repair and Loss Deposit collected by GroBikes shall not be kept in an interest-bearing account and no interest shall be paid or be payable to the Subscriber upon the refund of the Repair and Loss Deposit. Subscriber acknowledges that the Repair and Loss Deposit is not held in a segregated account or subject to any form of express or implied trust.
7. **Cooling Off Period.** Within 14 days of the Possession Date (the "**Cooling Off Period**"), the Subscriber has the option to submit a written notice to GroBikes to cancel the respective Subscription(s). Written notices should be sent to GroBikes by email to support@grobikes.com or by registered mail to GroBikes Inc., 3-10 Markdale Avenue, Toronto, ON M6C 1S9. In this event, the Subscriber agrees to return the Bicycle(s) to GroBikes per the terms of this Agreement no more than seven (7) days after sending the written notice to GroBikes.
8. **Early Restocking Fee.** If the Subscriber exercises their option to exchange a Bicycle as provided under Section 11 less than 60 days since the last occasion of doing so, or if the Subscriber exercises their option to cancel Subscription(s) as provided in Section 7, GroBikes reserves the right to charge a \$40 Early Restocking Fee for each Bicycle exchanged or returned.
9. **Late Payment Charges.** If any amount, including any damage liability owing, remains unpaid after its due date, the Subscriber will pay per diem interest on the unpaid amount at the interest rate of 12% per annum. The Subscriber shall also be responsible for all costs and expenses including solicitor and their own client basis, incurred by GroBikes in collecting overdue accounts.
10. **Use.** The Subscriber may not add any kind of seat or modification to allow someone to ride on the rear fender of the Bicycle(s), and no one may ride on the handlebars of the Bicycle(s) at any time. The Subscriber is also responsible for making proper adjustments to the Bicycle(s) to match the Subscriber's child/children's height, weight and skill level. The Subscriber is advised to seek professional assistance with these adjustments. The Subscriber must follow all laws, rules and regulations, as well as posted signs and warnings.

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The Subscriber should always be aware of road and trail conditions, as well as weather and other environmental factors which may affect safe operation of the Bicycle(s). The Subscriber is responsible for any injuries to themselves, their children or other people or damage to the Bicycle(s) or any other property during the term of this Agreement.

The Subscriber also acknowledges that, in many jurisdictions, helmets are required for minors under a certain age. Subscriber is responsible for being familiar with and complying with such laws.

11. **Option to Upsize.** Where the Subscriber's child/children outgrow the supplied Bicycle(s) during the Subscription Term, the Subscriber has the option to exchange the currently supplied Bicycle(s) for larger Bicycle(s) ("**Upsized Bicycle(s)**"). If during the Subscription Term the Subscription Fee of the Upsized Bicycle(s) increases, the increase shall apply to any subsequent Subscription Fee during any Renewal Term for such Upsized Bicycle(s).
12. **Ownership.** The Bicycle(s), at all times, remain the exclusive property of GroBikes. No title is transferred to the Subscriber in the Bicycles(s).
13. **Care and Maintenance.** The Subscriber accepts full responsibility for care of the Bicycle(s) while under the Subscriber's possession. The Subscriber is responsible for storing the Bicycle(s) in an enclosed area at night and during rain or any inclement weather. The Subscriber is also responsible for securing the Bicycle(s) at all times, including the use of theft prevention devices, where appropriate. The Subscriber shall maintain the Bicycle(s) in safe and good mechanical condition and running order at all times (including without limitation oiling the chain, repairing flat tires, and ensuring brakes, gears and steering are all in good working order).
14. **Repairs.** If the Subscriber experiences any malfunctions with the Bicycle(s) during the applicable Subscription Term, including a malfunction that compromises the safe operation of the Bicycle(s) during a Subscription Term, the Subscriber will contact GroBikes immediately and arrange for return of the affected Bicycle(s) to GroBikes. At GroBikes' sole option, GroBikes will either repair the affected Bicycle(s)

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or replace the affected Bicycle(s) with (an) other Bicycle(s) of the same size (the **"Replacement Bicycle(s)"**). If such malfunction, in the judgment of GroBikes, is due to misuse, accident, vandalism, or improper maintenance, damaged or missing parts or components will be repaired and/or replaced at GroBikes' discretion and the Subscriber agrees to pay regular shop rates and retail prices (plus applicable taxes) for components replaced. If such malfunction, in the judgment of GroBikes, is not due to misuse, accident, vandalism, or improper maintenance and the Bicycle(s) cannot be repaired or replaced on the date such Bicycle(s) are returned, the applicable Subscription Term(s) shall be adjusted to account for the period required to repair or to secure a replacement of such returned Bicycle(s).

15. **Return and Loss.** The Subscriber is responsible for damage to or loss of the Bicycle(s). The Subscriber agrees to return the Bicycle(s) in clean, complete, undamaged condition to avoid any additional charges for cleaning, repair, maintenance or replacement. Damaged or missing parts or components will be repaired and/or replaced at GroBikes' discretion and the Subscriber agrees to pay regular shop rates and retail prices (plus applicable taxes) for components replaced. Clean condition means normal wear and tear (including minor rust and/or minor chips and scratches to paint and components) is accepted but does not include bent spokes, broken spokes, bent rims, broken rims, damaged frames, damaged forks, damaged handlebars, damaged seats, tires worn through due to skidding, or other damaged parts. GroBikes shall retain any portion (or all) of the Repair and Loss Deposit as necessary to cover repairs for such damages. To the extent that damages to the Bicycle(s) exceed the amount of the Repair and Loss Deposit, the Subscriber shall be billed by GroBikes for the full amount of damages caused by the Subscriber during the Subscription Term for the Bicycle(s). If the Bicycle(s) is/are lost (including any loss due to theft), destroyed or damaged beyond repair in the judgement of GroBikes, the Subscriber agrees to pay GroBikes its cost to replace the applicable Bicycle(s). The Subscriber shall also be responsible for all costs and expenses incurred by GroBikes in collecting damages, including solicitor and their own client basis.

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16. **Termination Without Cause.** GroBikes may at any time terminate this Agreement and/or supply of any Bicycle(s) by giving 14 days' notice in writing to the Subscriber and require the Subscriber to return the applicable Bicycle(s) to the Return Location. If the supply of any Bicycle is terminated under this Section 16, the applicable Subscription Fee(s) shall be adjusted on a pro rata basis as of the date of termination. If the Subscriber terminates this Agreement and/or use of any Bicycle(s), the Subscriber shall be liable for the amounts set out under Section 17 below.
17. **Termination With Cause.** If the Subscriber (a) fails to make payment in accordance with this Agreement; (b) commences any proceeding under any bankruptcy or insolvency law or the appointment of any receiver manager or trustee or similar person for the Subscriber or over all or any part of the Subscriber's assets or property or any Bicycle(s); (c) breaches any term of this Agreement; or (d) terminates use of any Bicycle(s) prior to the end of the relevant Subscription Term:
- (i) GroBikes may take immediate possession of the Bicycle(s) without demand or other notice. The Subscriber shall upon request, deliver the Bicycle(s), at the Subscriber's cost, to the Return Location. If the Bicycle(s) are not returned, GroBikes shall have the right to enter upon lands and premises wherever the Bicycle(s) may be situated and remove the same without liability to GroBikes or any other person for damages and the Subscriber shall be liable for expenses GroBikes may incur for the removal of the Bicycle(s) from the Subscriber's possession;
 - (ii) the Subscriber shall pay on demand all Subscription Fee(s) due and unpaid; and
 - (iii) the Subscriber shall pay the aggregate of all remaining scheduled Subscription Fee(s) for all unexpired Subscription Terms for each Bicycle.
18. **Assumption of Risk.** Operation of a bicycle carries with it certain inherent risks that cannot be eliminated regardless of the care taken to avoid injuries. The specific risks vary from one activity to another, but the risks range from (1) minor injuries such as abrasions ("road rash"), scratches and bruises, to (2) major head, facial and dental

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injuries, to (3) catastrophic injuries including paralysis and death. The Subscriber knowingly and voluntarily assume all risks related to the operation and possession of the Bicycle(s) including, without limitation, any death, disability, personal injury, property damage or property theft, which may result from the operation of the bicycle(s) or possession of the bicycle(s) even if such loss or damage is due to any negligence of GroBikes, its affiliates, officers, employees, partners, agents, contractors, sub-contractors, volunteers and their heirs, successors and/or assigns.

19. Release and Indemnity. In consideration of GroBikes supplying the Bicycles, the Subscriber irrevocably waives, releases and discharges GroBikes and its affiliates, officers, employees, partners, agents, contractors, sub-contractors, volunteers and their heirs, successors and assigns (the "Releasees"), for and from any and all injury, harm and/or damages of any kind, howsoever caused or arising, including those arising from the Releasees' own negligence, as well as any and all liability arising from, or related to, directly or indirectly, the death, disability, personal injury, property damage or property theft, and any other claims for damages of any person, the Subscriber's child/children or the Subscriber may have now or in the future, including those related, directly or indirectly, to renting, maintenance, use, condition, operation, possession and return of the Bicycle(s).

The Subscriber agrees to indemnify and hold harmless GroBikes and the other Releasees from and against any and all liability that GroBikes and the other Releasees may suffer, sustain or incur, and any claim against GroBikes and the other Releasees (including legal fees incurred in defending any claim on a full indemnity basis) arising from, related to, directly or indirectly, the renting, maintenance, use, condition, operation, possession, return of the Bicycle(s) or breach by the Subscriber of any term of this Agreement including the possession, operation, or return of the Bicycle(s).

The provisions of this Section shall apply whether the claims are based in contract, tort (including negligence), under statute or otherwise.

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This Section shall survive termination or expiration of this Agreement or any Subscription Term hereunder.

20. **No Warranty.** The Bicycle(s) are provided to the Subscriber on an "As Is" and "As Available" basis. The Bicycle(s) is/are provided without warranties of any kind, whether express or implied, statutory or otherwise, including, but not limited to, implied warranties of merchantability, fitness for a particular purpose.
21. **Nature of the Relationship.** The parties agree that this is not an agreement of partnership or employment of GroBikes or of GroBikes employees by the Subscriber. This Agreement does not constitute the parties as partners, joint venturers or agents of each other and no party may so represent itself in this manner.
22. **Privacy.** Any information that GroBikes may collect about the Subscriber will only be used in accordance with GroBikes' Privacy Policy (<https://www.grobikes.com/privacy-policy>).
23. **Assignment and Enurement.** GroBikes may at any time assign all or part of its right, title and interest in this Agreement and the supply of each Bicycle without notice to or consent of the Subscriber. The Subscriber shall not assign, sublet, lien, encumber or transfer any interest in any of the Bicycles or any interest in this Agreement or supply of any Bicycle to any party without the written consent of GroBikes, which consent may be withheld. Any such consent shall not relieve the Subscriber of its obligations and liabilities hereunder. This Agreement enures to the benefit of the parties and it is binding upon the parties' successors and permitted assigns.
24. **Notices.** All notices in connection with this Agreement shall be given in writing. Notices may be transmitted by mail, courier or email. Any mail or courier notice to GroBikes shall be given to GroBikes at Suite 3, 10 Markdale Avenue, Toronto, ON M6C 1S9. Any email notice to GroBikes shall be given to GroBikes at support@grobikes.com. Any notice to the Subscriber shall be given to the Subscriber at the address and email provided on the Effective Date (the "**Contact Information**").

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The Subscriber shall maintain the validity of its Contact Information directly through GroBikes' online account management system (<https://www.grobikes.com>) or by written notice to GroBikes as described in this Section 24 no more than fifteen (15) days after any change in the Contact Information occurs.

25. **Waiver.** A failure to exercise a remedy or recourse by GroBikes in any regard whatsoever shall not constitute a waiver of a covenant, condition, remedy, or recourse.
26. **Interpretation.** Where the word "including", "include", or "includes" is used in the Agreement, it means "including, include or includes without limitation". Any provision of the Agreement which is prohibited, unenforceable or restricted, is ineffective or restricted to the extent of the prohibition, unenforceability or restriction. Such prohibition, unenforceability or restriction does not invalidate the remaining provisions of the Agreement.
27. **Law.** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to conflicts-of-laws principles.
28. **Entire Agreement.** This Agreement contains the entire agreement between GroBikes and the Subscriber with respect to its subject matter and supersedes all prior communications and negotiations between GroBikes and the Subscriber in this regard. No amendment or variation of the Agreement is valid or binding on GroBikes unless made in writing and signed by GroBikes.

For any questions about this Agreement or otherwise, GroBikes can be reached at:

GroBikes Inc.

Mailing address : Suite 3, 10 Markdale Avenue, Toronto, ON M6C 1S9

Email address : support@grobikes.com

Telephone : 647-692-4476

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