



RK Motors Charlotte  
5527 Lakeview Road  
Charlotte, NC 28269  
OFFICE: 704.596.5211  
FAX: 704.596.5980  
RKMotorsCharlotte.com

## **CONSIGNMENT AGREEMENT**

This Consignment Agreement ("Agreement") is entered into effective as of \_\_\_\_\_, **2013** between \_\_\_\_\_ (Owner) and RK Motors Charlotte dba RK Motors, LLC a NC limited liability company ("RKM").

WHEREAS, Owner owns the motor vehicle described on Addendum A to this Agreement ("Vehicle") and desires to consign the Vehicle to RK to sell pursuant to the terms of this Agreement. The parties hereby agree as follows:

### **Terms:**

1. Owner shall pay RKM the following percentage ("Fee") of the sale price ("Price") of the Vehicle for RKM's services under this Agreement: 12.5% of the Sale Price of the vehicle. The Owner shall pay the Fee upon RKM's receipt of the monies from the buyer of the Vehicle.
2. The term of this Agreement shall be a minimum of **90** days from the date that RKM receives the Vehicle from the Owner (the "Term"). In the event that 90 days elapses without a sale being completed, the Term will automatically extend to the first day of the following month. Term shall then be extended to the first day of each subsequent month, until the car is sold. After the initial 90-day term, the consignment can be terminated by either party, by giving 7 days written notice, provided there is no pending sale.
3. Every car sold through RKM receives one of our three exclusive service packages: RKM Performance Seal of Approval (Level 1); RKM Performance Test & Tune (Level 2), or; RKM Performance Certified (Level 3). The RKM Performance Seal of Approval comes standard with every sold vehicle at the established Sale Price. The Owner warrants and represents that the vehicle adheres to the quality and mechanical standards established in the Seal of Approval. A copy of the RKM Performance Seal of Approval criteria is attached as Addendum A.
4. RKM will not sell the Vehicle for less than \$ \_\_\_\_\_ ("Sale Price") without the prior written consent of Owner. "Written" shall include photocopy, e-mail or facsimile.
5. RKM reserves the exclusive right to establish the List Price of the vehicle.
6. RKM reserves the right to charge buyers an additional fee over and above the Sale Price for the RKM Performance Test & Tune or RKM Performance Certified service programs. Owner understands that they are not entitled to any of the service revenue earned by RKM for these post-sale services
7. The Fee does not include any repairs or other work (collectively "Work") done on the Vehicle that is not included in RKM's Responsibilities as defined in Paragraph 1 of "RK Motors." All work, authorized by owner and completed by RK will be billed to Owner at the then hourly rate quoted by RKM to its normal customers. Owner will pay for the cost of all parts.
8. If RKM terminates this Agreement because of Owner's breach of this Agreement or pursuant to Paragraph 1 of "RK Motors," Owner shall immediately reimburse RKM for its direct expenses under this Agreement. Direct expenses include, but are not limited to; Mechanical inspection costs, detailing costs, photography/video costs, marketing costs, and any amounts owed but unpaid by Owner to RKM under this Agreement.
9. If the sale of the Vehicle by RKM does not close because Owner failed to provide clear title to the Vehicle, free of all liens and defects, in a timely manner, Owner shall immediately pay the Fee to RKM as if the sale had closed.

## Owner:

1. Owner authorizes RKM to sell the Vehicle on Owner's behalf, including the power to execute any necessary documentation as Owner's agent.
2. Owner will promptly provide all documentation needed by RKM to sell the Vehicle, including a photocopy of the title (front and back) to Vehicle, free from all liens and defects. Owner will comply with all laws applicable to the sale of the Vehicle.
3. Owner warrants and represents to RKM that (a) Owner owns the Vehicle, (b) there are no liens on or security interests in the Vehicle, (c) Owner has full right and authority to enter into this Agreement and to sell the Vehicle, (d) the Vehicle meets RKM's Seal of Approval quality and mechanical standards, and (f) any information regarding the Vehicle that Owner provides RKM will be true and accurate to the best of Owner's knowledge.
4. During the term of this Agreement, during any period when the Vehicle is being transported by RKM and so long as the Vehicle is on RKM's premises, Owner will maintain full liability coverage, and in addition, comprehensive fire, theft, collision and such other insurance on the Vehicle for its full replacement value as RKM reasonably requires. The limits of the insurance shall be reasonably satisfactory to RKM. A condition to RKM's obligations under this Agreement is receipt by RKM of a certificate of insurance evidencing Owner's compliance with this Paragraph.
5. Owner shall indemnify and hold RKM harmless from and against all actions or causes of action, claims, demands, liabilities, losses, damages or expenses which RKM may sustain or incur as a result of any breach by Owner of this Agreement, including any suit instituted to enforce the obligations of this Agreement.
6. If the Vehicle is not sold by RKM for any reason, Owner shall pay the cost of transporting the Vehicle to Owner.

## RK Motors

1. RKM will: (a) RK Motors will inspect Owner's vehicle to assure RKM's Seal of Approval standards are met. Owner shall have no obligation to have the work performed by RKM. In the event the Owner elects to have the vehicle brought up to Seal of Approval standards by RKM prior to Marketing and Sale, RKM will provide Owner with an estimate to repair any defects found to bring the vehicle up to the Seal of Approval standard, and also warrants and represents that the Owner will not be responsible for any additional parts or labor both during the consignment period and post sale. If Owner and RKM agree to perform Seal of Approval service post-sale, Owner understands that he/she is responsible for all parts & labor necessary to bring Sold Vehicle up to Seal of Approval standards. In the event Owner does not authorize RKM to perform the work necessary to bring the vehicle up to the RKM Performance Seal of Approval standards, RKM shall have the right to terminate this Agreement. (b) detail the Vehicle, (c) Conduct a professional photo shoot of the Vehicle, (d) conduct a professional video shoot of the Vehicle (e) prepare a description of the condition of the Vehicle, (f) display the Vehicle in RKM's showroom as RKM deems appropriate, (g) list the Vehicle on RKM's website and other internet sites as RKM deems appropriate, (h) use reasonable efforts in marketing and selling the Vehicle (collectively "RKM's Responsibilities"), and (i) perform a routine exit inspection of the Vehicle after completion of the sale.
2. Upon completion of sale and receipt of clear, negotiable title from the Owner, RKM will promptly pay Owner the Price minus the sum of the Fee, the Transfer Costs, and any amounts owed but unpaid by Owner to RKM under this Agreement. RKM shall have no obligation to pay any fees, taxes, or other charges in connection with the sale (collectively "Transfer Costs"). Except for those Transfer Costs that are the responsibility of buyer, Owner shall pay all other Transfer Costs. Transfer Costs are defined as any taxes owed to any governmental authority for failure to properly transfer the title into the Owner's name when the Owner purchased the car.

**General:**

1. This agreement shall be governed by and construed in accordance with the laws of the State of North Carolina law. In the event any dispute arises under this Agreement that the parties cannot resolve, the parties shall submit such dispute to final, binding, and non-appealable arbitration by one arbitrator in accordance with the commercial rules then and there pertaining of the American Arbitration Association in its office in Charlotte, NC. Motion practice will be permitted. Service of process by overnight courier will be sufficient to confer personal jurisdiction over Owner and RKM. The decision of the arbitrator and any award as a result thereof may be entered by any court of competent jurisdiction. The non-prevailing party in such arbitration shall pay the prevailing party for the prevailing party's reasonable expenses including attorney's fees, incurred by the prevailing party in such action. The non-prevailing party shall pay all monies owing to the American Arbitration Association and the Arbitrator. OWNER IRREVOCABLY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY LITIGATION ARISING FROM OR RELATED TO THIS AGREEMENT.
2. Any amendment to this Agreement shall be in writing and executed by both parties.
3. No member, manager, officer director, employee, or agent (individual "Party in Interest") of RKM will be liable to Owner for any liability of RKM under this Agreement. With respect to any liability of RKM under this Agreement, Owner shall not (a) name any Party in Interest in any lawsuit, (b) seek or be entitled to any personal judgment against any Party in Interest, or (c) have any right to levy execution against any property or assets of any Party in Interest. No Party in Interest will be liable for any deficiency in connection with any judgment by Owner against RKM with respect to or in connection with any liability of RKM under this Agreement.
4. RKM shall have no liability for punitive, exemplary, or consequential damages under this Agreement. The liability of RKM under this Agreement shall not exceed the amount of the Fee actually paid to RKM.
5. Except as otherwise provided in this Agreement, Owner shall have no supervision or control of any kind of type over RKM or RKM's: (a) facilities, (b) employees, or (c) methods to be used and employed by RKM in carrying out its responsibilities under this Agreement.
6. This Agreement is the entire agreement between the parties regarding this consignment. No other oral or written understandings or agreements regarding the consignment will be binding upon the parties unless included in this Agreement.
7. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same Agreement.

**Vehicle**

Year/Make/Model: \_\_\_\_\_

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

**Owner**

**Signature:** \_\_\_\_\_

Printed Name: \_\_\_\_\_

Street: \_\_\_\_\_

City: \_\_\_\_\_ State/Zip: \_\_\_\_\_

Cell Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_

Work Phone: \_\_\_\_\_

Email (1): \_\_\_\_\_

Email (2): \_\_\_\_\_

**Please help us continually improve our marketing efforts by completing this survey:**

**How did you initially hear about RK Motors Charlotte:**

- Internet Search
- eBay
- Car Shows
- Word of Mouth
- Print Ads
- Online Classifieds
- TV
- Other \_\_\_\_\_

**RK Motors Charlotte, 5527 Lakeview Road, Charlotte, NC, 28269**

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title \_\_\_\_\_



## Addendum A

# RKM Performance Seal of Approval

Per the consignment agreement, your vehicle must meet the below qualifications before marketing can begin.

### INTERIOR

- Wipers and washers functional (if applicable)
- Horn operational
- Parking, brake, hazard and tag lights, and turn signals functional
- Seats adjust properly and stay in place once adjusted
- Seat back secures and locks in place
- Door handles operate properly
- Door locks and actuators operate properly with key
- Headlights operate properly
- Floor mats present in vehicle
- Rear view mirror stays in position
- Front seat belts present and in good working order
- All installed engine monitoring gauges operating accurately
- Heater, fan and defrost systems work properly (if applicable)
- Courtesy lamps functional

NOTES/COMMENTS: \_\_\_\_\_

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### EXTERIOR

- Wiper blades inspected - Approved
- Windows operate properly
- Hood raises and lowers properly
- Hood stays up when raised
- Convertible top functional (if applicable)
- Removable top latches and can be secured properly (if applicable)
- Exterior finish inspected for large notable blemished - Approved
- Body panels inspected for gaps - Approved
- Glass inspected for heavy scratching, chips or cracks - Approved
- Trim inspected for heavy scratching, chips or cracks - Approved
- Chrome inspected for heavy scratching, chips or cracks - Approved
- Vinyl roof inspected for condition - Approved

### TRUNK

- Trunk lid latches and opens/locks with key
- Spare, jack, hold down, wrench and inflator present (if applicable)
- Trunk mats present (if applicable)

Initial: \_\_\_\_\_  
**Consignor** \_\_\_\_\_  
Manager



**ENGINE**

- Vehicle starts easily and runs properly
- All fluids checked and topped off
- AC operates
- Cooling fan sufficiently cools engine in all conditions
- Idle speed adjusted
- Gaskets and seals inspected for leaks - Approved
- Belts and pulleys inspected – Approved

**FUEL SYSTEM**

- Tank, filter and lines inspected for leaks - Approved
- Gas cap present and seals

**ELECTRICAL**

- Charging system operational
- Battery is charged and maintains charge
- Fuse box properly attached and tight
- Fuse box is properly attached and tight

**EXHAUST**

- Condition of overall system inspected - Approved
- Vehicle inspected for exhaust leaks - Approved
- Hangers inspected - Approved
- Heat riser valve functional

**TIRES/WHEELS**

- Wheels inspected for damage - Approved

**ROAD TEST**

- Vehicle starts and runs properly
- Steering pull and operation tested - Approved
- Brake pull and operation tested - Approved
- Clutch, linkage and transmission operation tested - Approved
- Vehicle idles properly at all operating temperatures
- Speedometer/odometer tested and accurate - Approved

NOTES/COMMENTS: \_\_\_\_\_

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