

# RENTAL AGREEMENT

1. The Customer acknowledges receipt of all the equipment described on the front of this Agreement (The "Equipment"). Customer responsibility for the Equipment starts at the time of delivery and/or pick-up of the Equipment. BY SIGNING THIS AGREEMENT, THE CUSTOMER ACKNOWLEDGES RESPONSIBILITY FOR ALL TERMS AND CONDITIONS SET OUT BELOW, AND FOR ANY AND ALL DEFECTS OR DAMAGE TO THE EQUIPMENT. The Customer further acknowledges that these terms and conditions apply to all subsequent invoices for the rental of the Equipment. The rental term concludes when the Equipment has been returned to or received by All Choice Rentals Ltd ("ACR"). Equipment may be returned to the ACR Outlet in Alberta, unless specified otherwise on the front page. ACR has no responsibility or obligation to pick up the Equipment from the Customer. Title to the Equipment during the rental term shall remain with ACR. The Equipment will remain located at the job site specified on the front page of this Agreement and may not be moved without the prior written consent of ACR, except to fulfill the Customer's obligation to return the Equipment to ACR.
2. THE RENTAL RATES ARE CHARGED OUT IN DAILY, WEEKLY, AND MONTHLY INCREMENTS. THESE ARE DEFINED AS: 1 DAY = 24 HOURS (10 HOURS OPERATION); 1 WEEK = 7 DAYS (50 HOURS OPERATION); 1 MONTH = 4 WEEKS (200 HOURS OPERATION). RENTAL CHARGES ARE FOR TIME OUT NOT TIME USED. The Customer may use the Equipment for 10 hours over a 1-day rental term, 50 hours over a 1 week term, and 200 hours over a 1 month term. Overtime charges will be billed out on a per excess hour basis. The charge for every overtime hour is equal to the daily rate of the Equipment divided by 10. Overtime charges will not exceed twice the monthly rate.
3. THE CUSTOMER AGREES TO MAKE ALL PAYMENTS IN FULL WITHIN 30 DAYS OF THE DATE OF INVOICE and agrees that overdue interest of 18% per annum will be charged on all amounts not so paid. The Customer is not entitled to set-off or deduct, for any reason, from any amounts payable under this Agreement.
4. No "rent to purchase" terms are available (under which part or all of the rental payments are credited towards an option to purchase), unless the Customer and ACR reach an additional agreement in writing, in a form prescribed by ACR
5. There are no representations or warranties of any nature whatsoever made by ACR, expressed or implied. This includes, but is not limited to, descriptions, fitness, and suitability for any particular purpose, merchantability, operating condition, or compliance with applicable laws.
6. THE CUSTOMER IS RESPONSIBLE FOR ANY COSTS AND EXPENSES, WHETHER DIRECT OR INCIDENTAL, RELATING TO THE USE, OPERATION, TRANSPORTATION, OR STORAGE OF THE EQUIPMENT DURING THE RENTAL TERM and until return of the Equipment, including the cost of routine maintenance and service of the Equipment. The Customer will notify ACR promptly of the details of any claims affecting the Customer or Equipment, or of any loss or damage to the Equipment. SHOULD THE EQUIPMENT BECOME LOST, STOLEN, DESTROYED, OR DAMAGED BEYOND REPAIR, THE CUSTOMER WILL PROMPTLY PAY ACR THE FULL REPLACEMENT VALUE OF THE EQUIPMENT. The Customer also agrees to pay ACR the balance owing under this Agreement and to reimburse ACR for any loss of use of the Equipment if not replaced by the end of the rental term.
7. THE CUSTOMER WILL INSURE THE EQUIPMENT FOR ITS FULL REPLACEMENT VALUE, WITH THE LOSS PAYABLE TO ACR. Such insurance is to be acceptable to ACR and is to be produced to ACR on request for review and approval.
8. THE CUSTOMER AGREES TO OBTAIN AND MAINTAIN AT HIS OWN EXPENSE, AT ALL TIMES DURING THE RENTAL TERM, A POLICY OF COMPREHENSIVE LIABILITY INSURANCE, including property damage covering any accident, upset, fire, theft, or vandalism, and public liability in of no less than two million dollars, which will insure the Customer and ACR against liability for injury to person and/or property and death of any persons regarding the use, operation, transportation, maintenance, and storage of the Equipment. Such insurance is to be acceptable to ACR and is to be produced to ACR on request for review and approval.
9. UNDER NO CIRCUMSTANCES IS ACR LIABLE TO THE CUSTOMER OR ANY OTHER PERSON OR ENTITY FOR SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE, EXEMPLARY OR INDIRECT DAMAGES, LOSS OF GOODWILL OR BUSINESS PROFITS DUE TO WORK STOPPAGE, OR ANY AND ALL OTHER COMMERCIAL DAMAGES OR LOSSES. The Customer hereby indemnifies ACR, its directors, officers, employees, and agents for any claims, demands, actions, causes of action, damages, losses, costs (including legal costs on a solicitor and client basis), liability, or expense, which may be made or brought against ACR, or which ACR may suffer or incur, with respect to the Equipment and this agreement or in any respect arising from or in relation to the Customer's use or possession of the Equipment.
10. The happening of any of the following events shall constitute a default under this Agreement: where the Customer (a) does not pay the Indebtedness when due; (b) is not acting in good faith; (c) is not maintaining the Equipment as required; (d) is using the Equipment in an inappropriate or unsafe manner; (e) is not observing or performing any covenant or obligation in this Agreement or any other agreement between ACR and the Customer; (f) ceases or threatens to cease carrying on business, becomes insolvent or bankrupt, is placed in receivership, or takes or is subject to restructuring proceedings under any legislation; or (g) permits any encumbrance becoming enforceable against the Equipment. ACR reserves the right to inspect and retrieve the Equipment and monitor its use during the rental term. Upon a default, ACR will have the power to take possession of the Equipment.
11. The Customer agrees to pay all costs and expenses (including legal costs on a solicitor and his own client full indemnity basis) that ACR may incur with respect to any proceedings taken for the purpose of enforcing the rights and remedies under this Agreement. The Customer waives all rights to receive a copy of any financing statement or financing change statement registered at the Personal Property Registry, if applicable. Time is of the essence for this Agreement. This Agreement shall be governed by and constructed in accordance with the laws of the Province of Alberta. In this Agreement, "Customer" means the party listed as the customer on the front page hereof, and "ACR" means All Choice Rentals Ltd. This Agreement is to be read with all changes in gender or number as required by context.
12. This Agreement constitutes the entire agreement of the parties relating to the subject matter hereof and may not be amended or modified except by written consent executed by the parties. No provisions of the Agreement shall be deemed waived by any course of conduct unless such waiver is in writing and signed by all parties, specifically stating that it is intended to modify this Agreement.

Initial \_\_\_\_\_

Customer's initialling and execution of this Agreement constitutes agreement and acceptance of the above terms.