



Northland Building Supply Ltd.

Box 3670
Melfort, SK S0E 1A0
Phone: 306-752-3366
Fax: 306-752-5572

Rental terms and conditons

1) Inspection and Recovery of Equipment

- a) NORTHLAND BUILDING SUPPLY LTD. may inspect the Equipment at any time and reserves the right to take back any Equipment it believes is not being used in accordance with the rental agreement.

2) Extension of Rental Period

- a) The LESSEE may request an extension of the rental period. If NORTHLAND BUILDING SUPPLY LTD. agrees to the extension, the LESSEE shall pay regular rental rates until the Equipment is returned to NORTHLAND BUILDING SUPPLY LTD.

3) Acceptance of Equipment

- a) By accepting the Equipment, the LESSEE is deemed to have inspected the Equipment and acknowledged receipt of such Equipment in good repair, condition and working order.
- b) NORTHLAND BUILDING SUPPLY LTD. makes no warranty, expressed or implied whatsoever with respect to the Equipment, including the condition of the Equipment, or the implied warranties of merchantability or fitness for a particular purpose.

4) Responsibility for Equipment, Repairs, Loss or Damage

- a) The LESSEE shall bear the entire risk of loss or damage to the Equipment from any cause whatsoever from the date the Equipment is provided to the LESSEE until it is returned to NORTHLAND BUILDING SUPPLY LTD.
 - b) The LESSEE shall, at its own cost and expense, during the term of this rental agreement and until such Equipment is returned to NORTHLAND BUILDING SUPPLY LTD., whichever is the later, keep the Equipment in good repair, condition and working order and shall be responsible to
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perform any required maintenance or servicing of the Equipment to keep such Equipment in good working order. Any parts attached to or forming part of the Equipment during the course of such maintenance or servicing shall immediately become the property of NORTHLAND BUILDING SUPPLY LTD. on return of such Equipment, without any compensation being paid by NORTHLAND BUILDING SUPPLY LTD. to the LESSEE therefore.

- c) The LESSEE shall indemnify and hold NORTHLAND BUILDING SUPPLY LTD. completely harmless from and against all claims, actions, damages, costs and expenses of whatever nature (collectively, the “**Claims**”) arising from the LESSEE’s use or possession of the Equipment. Without limiting the generality of the forgoing, the LESSEE shall be solely responsible for any damage to or loss of the Equipment and for any loss or damage to any person’s personal property arising out of the LESSEE’s use, care, control or custody of such Equipment, and the LESSEE hereby indemnifies and saves harmless NORTHLAND BUILDING SUPPLY LTD. in respect of any such Claims.
- d) In the event that the LESSEE or any third party, including the LESSEE's employee, contractor, invitee or agent, suffers personal injury, property damage or any other types of loss due to the Equipment itself or to the installation, maintenance, use, change of location or return of the Equipment, the LESSEE shall settle such case at its own responsibility and expense, irrespective of the reason for such injury or damage. NORTHLAND BUILDING SUPPLY LTD., its employees, successors, and assignees shall have no responsibility or liability to the LESSEE or any third party arising out of the use or possession of the Equipment by the LESSEE regardless of any allegation of contributory negligence on the part of NORTHLAND BUILDING SUPPLY LTD. or its employees.
- e) If the Equipment is returned in a damaged state or unclean, NORTHLAND BUILDING SUPPLY LTD. reserves the right to charge the LESSEE for the cost of repair and/or cleaning the Equipment.

5) Use and Care of Equipment

- a) The LESSEE covenants to use, operate, maintain and store the Equipment in the ordinary course of business with due care, in accordance with the proper method of use and in compliance with applicable laws and regulations. The LESSEE further covenants to return the Equipment in good working order and to clean such Equipment prior to returning the Equipment to NORTHLAND BUILDING SUPPLY LTD.
- b) The LESSEE covenants and warrants to and in favor of NORTHLAND BUILDING SUPPLY LTD. that the LESSEE has the requisite skills and experience to operate the Equipment in a safe manner, and that the LESSEE shall use the Equipment only for the purpose for which such Equipment was intended to be used and always in compliance with any applicable federal, provincial and municipal laws pertaining to the use and storage of such Equipment.

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- c) If the Equipment becomes damaged, unsafe or malfunctions, the LESSEE shall immediately stop using the Equipment and shall notify NORTHLAND BUILDING SUPPLY LTD. of the same. On notification, NORTHLAND BUILDING SUPPLY LTD., may, in its sole discretion,
- i) provide alternate comparable Equipment for the balance of the rental agreement
 - ii) repair and return to the LESSEE the Equipment within a reasonable time
 - iii) adjust the terms of the rental agreement as appropriate in the circumstances
 - iv) or terminate the rental agreement.
- d) The LESSEE shall not sell, assign, transfer, pledge, mortgage or otherwise dispose of the Equipment or create or grant any security interest in the Equipment without the prior written consent of NORTHLAND BUILDING SUPPLY LTD.
- e) LESSEE agrees that NORTHLAND BUILDING SUPPLY LTD. shall be reimbursed
- i) full cost of all repairs resulting from misuse of the Equipment, including labour (third party labour as billed by third parties, \$60 per hour for Northland shop labour)
 - ii) the full market value of the Equipment, plus any lost rental income, plus all legal fees incurred in the event that LESSEE does not return the Equipment,
 - iii) or the full legal costs related to the removal of encumbrances listed in 5 (d)

6) Rental Rates and Collection

- 7) The LESSEE hereby acknowledges receipt of a duplicate of this contract and that the LESSEE shall be obligated to pay all rental rates that have accrued or shall accrue in accordance with the foregoing agreement. If collection of an amount owed by the LESSEE to NORTHLAND BUILDING SUPPLY LTD. becomes necessary, the LESSEE agrees to pay the reasonable fees and expenses incurred by NORTHLAND BUILDING SUPPLY LTD., including legal fees on a solicitor and his own client basis, associated with the cost of collection.

LESSEE

Date