

Pharmacy Lifts a division of 2128636 Ontario Inc.  
Conditions of rental agreement  
Form 1

LEASE

By this lease and in consideration of the statements on the reverse side hereof and the following agreements, limitations and conditions, Pharmacy Lifts hereinafter called lessor, leases unto the person, firm or corporation signing this lease as lessee, hereinafter called lessee, that certain personal property, hereinafter called equipment, described on page 1 of this agreement.

1. TERM- the term of this lease is itemized on page 1. 1 day equals 24 hours with a maximum 8 hours operation. 7 days equals 1 week which equals 168 hours with a maximum 40 hours operation. 28 days equals 1 month which equals 672 hours with a maximum 160 hours operation.
2. RENT- The rent for any and every item of equipment shall be the amount designated on page 1.
3. PAYMENT- All rentals due under this agreement shall be paid monthly, weekly or daily, as the case may be depending upon whether the equipment has been rented by the month, by the week, or by the day, in advance to the office of lessor. All overdue payments shall bear interest at the rate of 2% per month (24% per annum) on the unpaid balance without prejudice to the lessor's rights, and in particular without prejudice to the lessor's right hereinafter stipulated to terminate this agreement for non-payment of rental.
4. LOCATION- The equipment shall be located at 793 Pharmacy Avenue in the city of Toronto and may not be removed from the location without the expressed written consent of Pharmacy Lifts.
5. USE- Lessor shall comply with all laws in anywise relating to the use, operation or maintenance of the equipment. If lessor supplies lessee with labels stating that the equipment is owned by the lessor, lessee shall affix and keep the same upon a prominent place on the equipment. Minimum operator age shall be 21 years.
6. ACCEPTANCE- Lessee acknowledges that he has fully inspected and accepted said equipment in good condition and repair. The lessee further acknowledges, the lessee is familiar with such equipment and the operation thereof and has inspected and accepted said equipment in good operating condition.
7. INSPECTION- Lessor shall at any and all times during business hours have the right to enter into and upon the premises where the equipment may be located for the purpose of inspecting the same or observing its use. Lessee shall give lessor immediate notice of any attachment or other judicial process which affects or may affect any item of equipment and shall whenever requested by lessor advise lessor the exact location of the equipment.
8. LOSS, DAMAGE AND REPAIRS- Lessee hereby assumes and shall bear the risk of loss and damage to the equipment from any and every cause whatsoever and shall keep and maintain the equipment in good repair, condition and working order. No loss or damage to the equipment or any part thereof shall impair any obligation of lessee under this lease which shall continue in full force and effect. In the event of loss or damage of any kind whatsoever to any item of equipment, lessee at the option of lessor, shall place the same in good repair, condition and working order or alternatively, replace damage or lost equipment at today's new market value or repair the damaged equipment, the cost of such repairs to be borne by the lessee together with interest on the outstanding balance at the rate of 2% per month (24% per annum) from date of invoice to the date of payment.
9. ALTERATIONS- Without the prior written consent of lessor, lessee shall not make any alterations, additions or improvements to the equipment. All additions and improvements of whatsoever kind or nature made to the equipment shall belong to and become the property of lessor upon the expiration of earlier termination of this lease. The lessee will not alter, remove, disfigure or in anywise change any insignia or lettering upon any of the said equipment. The lessee shall not tamper with: odometers, speedometers or hourmeters on units equipped with same. If these meters show signs of tampering or disconnecting the customer agrees to the following charges at the option of the lessor. Odometers/speedometers- A charge of 50 km or 30 miles for each hour the equipment was in the customer's possession. Hourmeters – A charge of 1 hour for each hour the equipment was in the customer's possession.
10. DOWN TIME- Should the lessor suffer loss rentals or incur expenses as a result of the unavailability of leased equipment repaired by the lessee, or lessor, due to damage or loss of the said leased equipment arising during the term of this lease, then such lost rentals and expenses shall be the sole responsibility of the lessee and the lessee shall forthwith pay and/or reimburse the lessor for the same.
11. SURRENDER- Upon the expiration or earlier termination of this lease, lessee shall return the equipment to the lessor in good repair, condition and working order, ordinary wear and tear resulting from proper use thereof alone excepted.
12. INSURANCE- The lessee shall at the lessee's own expense maintain liability, theft, fire and any other insurance required to indemnify the lessor against any loss to or of the equipment to the extent of new replacement value at date of replacement or cash equivalent, such insurance to cover the insurability interest of the lessor in said equipment. This insurance shall be kept in full force and effect from the time the equipment is leased out by the lessee or shipped by the lessor until it is returned by the lessee to the lessor during the lessor's normal business hours with lessor's acknowledgement. Customer will, on demand, furnish Pharmacy Lifts with a Certificate of Insurance evidencing the applicable coverages. Such certificate(s) shall include liability limits of not less than \$2,000,000 per occurrence and shall be endorsed to provide that the applicable insurance policies may not be cancelled or materially modified except on (30) days prior written notice to Pharmacy Lifts.
13. INSURANCE- The lessee agrees to immediately inform the lessor in writing of all losses or damages to the equipment and provide the lessor the name of the lessee's insurance company, name and address of the lessee's insurance agent, a copy of the police report and complete information concerning insurance coverage for said loss or damage. The lessee further hereby assigns and grants a security interest to the lessor to any and all proceeds payable from any claims or otherwise generated from insurance coverage over any and all of the personal property covered by the Agreement.
14. LESSOR'S PAYMENT- In case of failure to procure or maintain said insurance or to pay said fees, assessments, charges and taxes, all as hereintofore specified, lessor shall have the right, but shall not be obligated, to affect such insurance or pay said fees, assessments, charges and taxes as the case may be. In that event, the cost thereof shall be re-payable to the lessor with the next instalment of rent and failure to repay the same shall carry with it the same consequence, including interest at 2% per month (24% per annum), as failure to pay any instalment of rent.
15. FORCE MAJEURE- Lessor shall incur no liability whatsoever for any delay or failure to deliver the equipment or for any delay or failure to perform any of its obligations hereunder by reason of strike, lockout, threat of strike or lockout, fire, flood, interruption or delay in manufacture or transportation, act of nature, war, insurrection, mob violence, requirement of governmental authorities, embargo, shortage of labour, equipment or materials, plant breakdown or any other causes beyond the control of lessor whether or not such causes of delay or failure are in existence whether or not known to lessor at the time of completion of this agreement.

16. **INDEMNITY**- Lessee shall indemnify lessor against, and hold lessor harmless from any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including solicitors costs, on a solicitor-client basis, arises out of, connected with, or resulting from the equipment, including without limitation, the manufacture, selection, delivery, possession, use, operation or return of the equipment.
17. **DEFAULT**- If lessee with regard to any item or items of equipment fails to pay any rent or other amount herein provided within 10 days after the same is due and payable, or if lessee with regard to any item or items of equipment fails to observe, keep or perform any other provisions of this lease required to be observed, kept or performed by lessee, lessor shall have the right at its sole discretion to exercise any one or more of the following remedies: a) to declare the entire amount of rent hereunder immediately due and payable as to any or all items of equipment. b) to sue for and recover all rents, and other payments than accrued or thereafter accruing, with respect to any or all items. c) to take possession of any or all items of equipment without demand or notice, wherever same may be located without any court order or other process of law. Lessee hereby waives any and all damages occasioned by such taking of possession. Any said taking of possession shall not constitute a termination of this lease as to any or all items or equipment unless lessor expressly so notifies lessee in writing. d) to terminate this lease as to any or all items or equipment. e) to pursue any other remedy at law or in equity. Notwithstanding any said repossession, or any other action which lessor may take, lessee shall be and remain liable for the full performance of all obligations on the part of the lessee to be performed under this lease. All such remedies are cumulative, may be exercised concurrently or separately.
18. **BANKRUPTCY**- Neither this lease nor any interest therein is assignable or transferable by operation of law. If any proceeding under the Bankruptcy Act, as amended, is commenced by or against the lessee, or if the lessee is adjudged insolvent, or if the lessee makes any assignment for the benefit of his creditors, or if a writ of attachment or execution is levied on any item or items of the equipment and is not released or satisfied within 10 days thereafter, or if a receiver is appointed in any proceeding or action and given authority to take possession or control of any item or items of the equipment, lessor shall in sole discretion have and may exercise any one or more of the remedies set forth in paragraph 22 hereof; at this lease shall, at the option of the lessor, without notice, immediately terminate and shall not be treated as an asset of lessee from the date of the exercise of said option.
19. **LESSOR'S EXPENSE**- Lessee shall pay lessor all costs and expenses, including solicitors fees on a solicitor/client basis incurred by lessor in exercising any of its rights or remedies hereunder of enforcing any of the terms, conditions, or provisions hereof including any costs of removal of the said equipment.
20. **ASSIGNMENT**- Without the prior written consent of lessor, lessee shall not: a) assign, transfer, pledge, or hypothecate this lease, the equipment or any part thereof, of any interest therein, or b) sublet or lend the equipment or any part thereof to be used by anyone other than the lessee. All rights of lessor hereunder may be assigned, pledged, mortgaged, transferred, or otherwise disposed of, either in whole or in part, without notice to lessee.
21. **OWNERSHIP**- The equipment is, and shall at times be and remain the sole and exclusively and personal property of lessor; and the lessee shall have no right, title or interest therein or thereto except as expressly set forth in this lease.
22. **PERSONAL PROPERTY**- The equipment is, and shall at times be and remain, personal property notwithstanding that the equipment or any part thereof may now be, or hereafter become, in any manner a fixed or attached to, or imbedded in, or permanently resting upon real property or any building thereof, or attached in any manner to what is permanent as by means of cement, plaster, nails, bolts, screws or otherwise. The lessee acknowledges that any property of the lessor that is affixed or attached to any other property is solely for the better use of the lessor's property.
23. **OFFSET**- Lessee hereby waives any and all existing and future claims, and offsets, against any rent or other payments due hereunder, and agrees to pay the rent and other amounts hereunder regardless of any offset or claim which may be asserted by lessee or on its behalf.
24. **NON WAIVER**- No covenants or conditions of this lease can be waived except by the written consent of lessor. Forbearance or indulgence by lessor in any regard whatsoever shall not constitute a waiver of the covenants or conditions to be performed by lessee to which the same may apply, and, until complete performance by lessee of said covenants or conditions lessor shall be entitled to invoke any remedy available to lessor under this lease or by law or in equity despite said forbearance or indulgence.
25. **SEVERABILITY**- If any part of this agreement be declared or held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect the validity and enforceability of the remainder which shall continue in force and effect and be construed as if this agreement had been executed without the invalid or unenforceable portion and it is hereby declared the intention of the parties hereto that this agreement would have been executed without reference to any portion which may, for any reason, be hereafter declared or held invalid or unenforceable.
26. **ACKNOWLEDGEMENT**- Lessee acknowledges and understands that the Agreement contained herein is and shall become part of every Rental Agreement, oral or written, between the Lessee and Lessor and will be retained by the Lessor as evidence of such Agreement for all other rentals by the Lessee.
27. **ENTIRE AGREEMENT**- This instrument constitutes the entire agreement between lessor and lessee; and it shall not be amended, altered or changed except by a written agreement signed by the parties hereto.
28. **TIME**- Time is of the essence of this lease and each and all of its provisions.
29. **INTEREST**- On any amounts arising under the terms of the contract shall bear interest of 2% per month (24% per annum) both before and after maturity, default and/or judgement.
30. **WHO MAY OPERATE EQUIPMENT** Only Customer and the following persons with Customer's permission ("Authorized Operators") may operate the Equipment: Customer's employer, employees, fellow employees in the course of such employee's regular employment, or persons approved by Pharmacy Lifts in writing. Customer and all Authorized Operators must: be, 21 years old for all Equipment; be properly qualified to operate the Equipment; and have a valid operator's license with respect to the Equipment where required by law.