

AFE RENTALS LTD – MASTER AGREEMENT

1. **Master Agreement:** The Lessee and Lessor acknowledge and agree that the terms and conditions contained in this agreement shall govern the rental of any and all equipment by the Lessee from the Lessor, and the term “Equipment” as used herein shall refer to all such Equipment. In the event of a conflict between the terms and conditions set out in any purchase order, acceptance or other document the Lessee and Lessor agree that the terms and conditions set out in this agreement shall govern.
2. **The Rental Period:** The rental period with respect to each piece of equipment shall commence on and include the day of actual delivery of the equipment to the Lessor, another Lessee of the Lessor or an agent of either, including any public carrier taking same for transit to the Lessee. The rental period shall end on and include the day of actual delivery of the equipment to the Lessor, another Lessee of the Lessor or an agent of either, including any public carrier taking same for transit to the Lessor or such other Lessee.
3. **Payment:** The Rentals due under this Lease shall be paid within 30 days of the termination of the Rental, or 30 days after the last billed Rental Period. Overdue payments of greater than 60 days shall bear interest at 2% per month calculated and compounded monthly for an APR (annual percentage rate) of 24%.
4. **Inspection:** Before the Equipment is delivered to the Lessee, the Lessee must inspect said Equipment to determine if its in satisfactory condition.
If the Lessee does not inspect the Equipment before it is delivered, then the Lessee is conclusively deemed to have accepted that the equipment is in good and running order, without broken or worn out parts, and in clean unmarred condition.
5. **Maintenance, Operations and Repairs:** The Lessee shall not remove, alter, disfigure or cover up any numbering, lettering or insignia displayed upon any Equipment, and shall ensure that no Equipment is subjected to careless or needlessly rough usage. The Lessor will maintain its Equipment and shall have access to it at any time without being liable for trespass. The Lessor will perform regular service when appropriate, and replace parts worn out through regular and expected use. Any damage not caused by normal operations shall be covered by the Lessee, this includes, but is not limited to, damaged tyres, broken mast chains, tipping or overloading of the Equipment, and any such cases as determined by the Lessor to have been caused as a result of inappropriate or negligent use. The Lessee must advise the Lessor of any issue requiring repairs and the Lessor will make the arrangements to have it inspected and repaired as soon as possible. In any case, the Lessor will not be liable for lost time and will not be held responsible for damages of any kind.
6. **Damage to Equipment:** The Lessee shall indemnify and hold harmless the Lessor against all loss and damage to the Equipment during the rental period and the appraisal for any such loss or damage shall be based on the replacement cost of the Equipment without deduction for depreciation.
7. **Liability of Lessee:** The Lessee shall indemnify and hold harmless the Lessor against all loss, expenses, penalties, damages, condemnations and legal costs which the lessor may suffer or may be required or condemned to pay for personal injuries (including death) and/or property damages suffered by any person by reason of the Equipment or the operation, handling, transportation or use thereof by or while in the hands of the Lessee or the latter’s employees, agents or carriers. The Lessee shall remain responsible for the Equipment until it has been returned to the Lessor. The Lessee shall maintain at the Lessee’s own expense, public liability and all risk property insurance in adequate amounts to fully cover this indemnity. The Lessee hereby renounces all claims which he/she (it) may have against the Lessor for any loss or damage which he/she (it) may suffer, either directly or indirectly, by reason of the condition of the Equipment or its suitability for the work it may be required to perform.
8. **Title:** Title to the Equipment shall at all times be and remain vested in the Lessor and nothing contained in this Lease shall be deemed to have the effect or conferring upon the Lessee any right or title whatsoever in or to the Equipment, other than that of a lessee. The Lessee shall not incur or permit to exist any lien or other encumbrance on or with respect to the Equipment. The Lessee shall give the Lessor immediate notice in case any of the Equipment is levied upon or from any cause becomes liable to seizure.
9. **Termination of Lease:** Should the Lessee fail to make any payment for more than (60) days after it becomes due, or become bankrupt, insolvent or have a receiver appointed, or fail to maintain and operate or to return the Equipment as provided by the Lease, or violate any other provision hereof the Lessor may terminate this lease, re-take possession of the Equipment without becoming liable for trespass, and recover all rentals due, full damages for any injury to and all expenses incurred in obtaining the return of the Equipment. Should the Lessor fail to ship the Equipment in good and running order, the Lessee may, upon giving the Lessor notice, terminate the lease and recover any amount paid by him/her (it) to the Lessor hereunder. All outstanding obligations shall survive termination of the lease.
10. **Subletting and Location:** None of the Equipment shall be sublet by the Lessee, nor shall he/she (it) assign or transfer any interest in this Lease without the previous written consent of the Lessor. The Equipment shall be used only at the location shown on the face of this Lease.
11. **Subrogation:** In the event of any loss or damage to the Equipment, Lessor will have the right of subrogation with respect to any right of the Lessee to recover against any person, firm or corporation. Lessee will execute and deliver whatever instruments and papers are required and do whatever else is necessary to secure such rights. Lessee will cooperate fully with Lessor and or its insurer(s) in the prosecution of those rights and will neither take or permit nor suffer any action to prejudice Lessor’s rights with respect thereto.
12. **Warranties:** Lessor makes no warranties, either express or implied, as to any matter whatsoever, including, without limitation, the condition of the Equipment, its merchantability or fitness for a particular purpose, or that it is suited for the Lessee’s intended use. The aggregate liability of Lessor hereunder, if any, shall be limited to the amount paid to it by the Lessee under this Lease. This Lease represents the entire agreement between the parties with respect to the Equipment. In no event shall the Lessor be liable for special, consequential, punitive, incidental or indirect damages arising from any reason whatsoever, whether or not loss is based on contract, warranty, negligence, indemnity or otherwise. The Lessee consents to the collection of personal information by Lessor and the use, retention, disclosure of such information in accordance with the Lessor’s Privacy Statement.

Date:

Lessee Signature:

AFE Rentals LTD

Equipment Lease Agreement

Between: (Lessor)

**AFE Rentals LTD
24-A Jutland Rd
Toronto, Ontario, Canada
M8Z 2G9**

And: (Lessee)

The Lessor and Lessee agree to the following

Lessor hereby leases to Lessee the following **Equipment:**

The Term of the Lease (Circle One): Yearly 4 Weeks Weekly Daily

Payment per term (excluding tax): _____

The Lessee and Lessor each represents and warrants that it has the power to enter into this lease and that this lease is properly and lawfully authorized and executed by it.

The conditions of this lease shall be governed by the "Master Agreement". By signing, the Lessee has read and understands the Master Agreement and is bound by its conditions.

Lessee:

Lessor: AFE Rentals LTD

Name:

Name:

Title/Position:

Title/Position:

Signature

Signature

Date: