



## **ENHANCED LEASING PROGRAM TERMS AND CONDITIONS**

### **1) LEASE.**

Lessee hereby leases from the Lessor, and the Lessor hereby leases to Lessee, the personal property described in the Enhanced Leasing Program Lease Contract (the "Equipment"). Lessee confirms that the Equipment will be used for commercial purposes and not for personal, family or household purposes. Lessee represents and warrants with the Lessor that (a) Lessee has the status, capacity and power to enter into and perform this Lease, (b) if a corporation, the execution, delivery and performance of this Lease has been duly authorized by all necessary corporate action of Lessee, and (c) the person(s) executing and delivering this Lease for and on behalf of Lessee is actually authorized to do so.

### **2) PURCHASE AND ACCEPTANCE OF EQUIPMENT.**

Lessee acknowledges that the Lessor is acquiring the Equipment at the request of Lessee exclusively for the purpose of entering into this Lease. The Lessor, following the signing of this Lease by the Lessee and its acceptance by the Lessor, will issue its purchase order to the supplier of the Equipment, requesting delivery to the location specified as soon as possible (or on the date specified in the Lease) and specifying that a binding contract of sale and purchase of the Equipment, including the obligation of the Lessor to pay the outstanding balance of the purchase price, will not be completed until the Lessor has received from Lessee a duly executed acceptance certificate or receipt. The Lessor makes no warranty, express or implied, as to when the supplier will deliver the Equipment, and the Lessor shall have no liability to Lessee or any other person if the supplier fails to deliver the Equipment as required. Lessee shall inspect and test the Equipment upon delivery from the supplier and, if conforming to the above description and if in good condition and repair at the time of delivery, execute the Lessor's usual form of acceptance certificate or receipt acknowledging that the Equipment is as ordered, is in good operating condition and repair and meets all conditions of purchase and of this Lease. Acceptance shall not be unreasonably withheld or delayed and in any event Lessee shall deliver to the Lessor within seven (7) days of delivery of the Equipment either an executed acceptance certificate or receipt or written notice of defect in the Equipment or of other proper objection to the condition, repair or conformity of the Equipment. If the supplier fails to deliver the Equipment as required, or Lessee rejects the Equipment as defective or unacceptable for any reason, Lessee shall remain bound by its obligations under this Lease and shall have no claim against the Lessor by may, if it so chooses, pursue a claim against the supplier or any other person. The Lessor hereby assigns to Lessee, to the extent assignable and without recourse to the Lessor, the benefit of all warranties of the supplier and all other rights relating to the condition and operation of the Equipment (including the benefit of any intellectual or industrial property licenses). If the Equipment is returned to or repossessed by the Lessor, all such warranties and rights shall be automatically reassigned to the Lessor without any further act or deed being required. The Lessor consents to Lessee communicating directly with the supplier for the purpose of obtaining information regarding such warranties and rights (including any pertinent disclaimers and limitations).

### **3) LESSOR'S DISCLAIMER REGARDING EQUIPMENT.**

THE LESSOR IS LEASING THE EQUIPMENT ON AN "AS IS" BASIS AND SHALL NOT BE BOUND BY OR BE DEEMED TO HAVE MADE OR BE LIABLE FOR ANY REPRESENTATION, WARRANTY OR PROMISE BY THE SUPPLIER OF THE EQUIPMENT. THE LESSOR SHALL NOT BE LIABLE FOR ANY FAILURE OR SHORTCOMING OF THE EQUIPMENT, INCLUDING ANY LATENT DEFECT AND ANY INFRINGEMENT ON THE INTELLECTUAL OR INDUSTRIAL PROPERTY RIGHTS OF THIRD PARTIES RELATED TO THE DESIGN OR OPERATION OF THESE EQUIPMENT. NEITHER THE LESSOR NOR ANY OF ITS OFFICERS, EMPLOYEES, REPRESENTATIVES OR AGENTS HAS MADE OR MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT OR ANY INTELLECTUAL OR INDUSTRIAL PROPERTY RIGHTS THEREIN, INCLUDING THE CAPACITY, SPECIFICATIONS, CONDITION, QUALITY, DURABILITY, MERCHANTABILITY OR FITNESS FOR LESSEE'S PARTICULAR PURPOSE. THE LESSOR SHALL HAVE NO LIABILITY FOR ANY DIRECT, INDIRECT, PUNITIVE, EXEMPLARY, SPECIAL OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFITS, ACTUAL OR ANTICIPATED, OR FOR ANY DAMAGES BASED ON STRICT OR ABSOLUTE TORT OR CIVIL LIABILITY OR THE LESSOR'S NEGLIGENCE (BUT NOT FOR ITS WILFUL MISCONDUCT). NOTHING HEREIN SHALL DEPRIVE LESSEE OF ITS RIGHTS AGAINST THE SUPPLIER OF THE EQUIPMENT OR ANY PERSON OTHER THAN THE LESSOR.

**4) TERM.**

The term of this lease (the "Lease Term") will begin on the date the Equipment is accepted by Lessee as set out in the acceptance certificate or receipt (the "Commencement Date") and will continue thereafter for the number of consecutive months specified above unless earlier terminated pursuant to Section 12 or 21. If Lessee does not, pursuant to Section 15, return the Equipment on or before the expiration of the Lease Term, then this Lease shall automatically renew thereafter on a year-to-year basis and during such renewal all provisions of this Lease shall continue to apply to the Equipment and Rental Payments and all other amounts payable hereunder shall continue to be payable at the monthly (or other calendar period indicated) until the Equipment has been returned and the renewed Lease Term terminates.

**5) RENTALS.**

Lessee agrees to pay to the Lessor the rental payments stated on the face hereof (collectively in the number stated "Monthly Payments") and all applicable taxes. Unless otherwise states, the first Rental Payments are due on the corresponding day of each month (or other calendar period indicated) thereafter during the remainder of the Lease Term. Lessee, upon signing the Lease Contract, has prepaid the first Rental Payment which will be due on the Commencement Date. If more than Rental Payment is prepaid (Deposit), then unless otherwise stated, the additional payments will be applied to the last Rental Payments and, if this Lease is terminated prior to expiry of the Lease Term, the Lessor shall, at the Lessor's option, either return the Deposit, apply the Deposit to the option price, if applicable, or apply the Deposit to any other amounts then owing by Lessee. Taxes shall be adjusted on the application of Deposits. No interest shall accrue with respect to any Deposits. Unless otherwise directed by Lessor, all Rental Payments shall be paid to the Lessor by electronic fund transfers to the account specified (or such other account as the Lessor may designate in writing).

**6) LOCATION OF EQUIPMENT AND CHANGE OF NAME.**

The Equipment shall at all times be kept at the location stated in the Lease Contract (or, if an equipment location is not stated, at the Lessee's address as stated in the Lease Contract). The Equipment shall not be moved to another location unless with the Lessor's prior written consent. Lessee shall not change its name without giving the Lessor thirty (30) days prior written notice.

**7) USE AND MAINTENANCE.**

At its own expense, Lessee shall use and maintain the Equipment in a prudent manner, in accordance with the manufacturer's specifications and instructions and in compliance with all pertinent governmental requirements. Unless it has the Lessor's prior written consent, Lessee shall not alter the Equipment, shall not make any attachments or additions to the Equipment and shall not permit the Equipment to become as attachment or additional to any other personal property or a fixture to any real estate. Any attachments or additions to the Equipment shall become part of the Equipment and shall be subject to all terms and conditions of this Lease. The Lessor shall have the right, at any time during normal business hours to inspect the Equipment.

**8) INSURANCE.**

Lessee shall secure and maintain insurance (a) against loss, theft, damage or destruction of the Equipment in an amount equal to the greater of the replacement cost for the Equipment or the total Rental Payments remaining unpaid hereunder, designating the Lessor as first loss payee and (b) against liability of injury or death to persons or damage to property caused by the possession or use of the Equipment in amounts reasonably required by the Lessor, designating the Lessor as an additional insured. Each policy shall include a provision requiring at least thirty (30) days prior written notice to the Lessor prior to any cancellation or modification. Each policy shall designate the Lessor as the agent for settlement of claims. The Lessor may from time to time require certification of such insurance.

**9) TAXES.**

Lessee shall pay when and as due all taxes, assessments and license and similar fees (federal, provincial or local) (collectively "Taxes") which may at anytime during the continuance of this Lease be assessed with respect to the ownership, leasing, rental, sale, purchase, p[ossession or use of the Equipment (including all sales, goods and services, excise, health services, use, property, business transfer and value added taxes and any penalties or interest based on late payment or non-payment of such taxes) excluding, however, all taxes which are based upon or measured by the Lessor's net income. The Lessor may, from time to time, require verification from Lessee of

payment of all such taxes or charges on its behalf, Lessee shall indemnify and reimburse the Lessor for all such payments, plus reasonable cost incurred in collecting and administering any taxes. Lessee agrees that the Lessor shall be entitled to claim any applicable capital cost allowance or investment tax credit or similar benefit under applicable federal and/or provincial income tax legislation pertaining to the Equipment and that Lessee shall not make any such claim without the Lessor's prior written consent.

**10) LIENS.**

Lessee shall not cause or permit the Equipment or the proceeds thereof to be subjected to any lien or encumbrance (other than liens or encumbrances resulting from the acts or omissions of the Lessor).

**11) LOSS OR DAMAGE.**

Lessee is responsible for all risk of loss, theft, damage or destruction of the Equipment from any cause whatsoever. Lessee's responsibility for these risks continues not only during the Lease Term but also while the Equipment is being transported before the start and after the end of the Lease Term. If all or any portion of the Equipment shall become lost, stolen, destroyed or damaged beyond repair, Lessee, Immediately upon demand, shall pay to the Lessor (a) the sum of all Rental Payments and other amounts payable by Lessee hereunder which have accrued but are unpaid, plus (b) as a genuine pre-estimate of the Lessor's liquidated damages for loss of bargain and not as a penalty, the sum of all Rental Payments for the remainder of the Lease Term of the Lease which have not yet accrued, discounted from their respective payment dates at the rate of five percent (5%) per annum plus (c) if applicable, the amount of any tax credit required to be recaptured by the Lessor as a result of the early disposition of the Equipment plus (d) an amount equal to fifteen percent (15%) of the Lessor's actual cost from the Equipment. Upon such payment, the Equipment shall become the sole property of Lessee and the Lessor will transfer to the Lessee, without recourse or warranty (other than a warranty that it is transferring all of its right, title and interest in and to the Equipment free and clear of all liens, charges and encumbrances created by the Lessor), all of the Lessor's right, title and interest in and to the Equipment. Lessee shall pay all Taxes payable upon such transfer. This Lease shall thereupon terminate. The insurance proceeds received by the Lessor with respect to the Equipment will be applied against Lessee's payment obligation under this Section. Lessee hereby assigns, pledges and grants a security interest (or where this Lease is governed by the laws of the Province of Québec, Lessee hereby hypothecates in favour of the Lessor in an amount equal to 120% of the cost of the Equipment to the Lessor) in favour of the Lessor all insurance claims and all proceeds there from or from any sublease of Equipment (whether or not permitted) and any Deposit to secure the due payment and performance of its obligations under this Lease. If less than all of the Equipment has been lost, stolen, destroyed or damaged, then the Lessor in its discretion, may elect to have the provisions of this Section apply to all Equipment subject to this Lease (including any items of Equipment not lost, stolen, destroyed or damaged) or may elect to have the terms of this Section only apply to the items of Equipment which are lost, stolen, destroyed, or damaged and, subject to a prorate adjustment of the Rental Payments thereafter payable, this Lease shall remain in full force and effect as to any remaining items of Equipment.

**12) NET LEASE/UNCONDITIONAL OBLIGATION.**

The Lease Contract is a completely "net lease" and Lessee's obligation to pay and to perform its obligations herein is conditional and not subject to any abatement, reduction, setoff or defence of any kind.

**13) TITLE.**

The Equipment is and, unless purchased by Lessee pursuant to Section 24, shall at all times remain the property of the Lessor and Lessee shall have no interest in the equipment except to the right to possess and use the Equipment for the Lease Term as expressly set forth in this Lease. The Equipment shall at all times remain personal property even though installed in or attached to real property. The Equipment shall not become an accession to any other personal property even though attached to such personal property. The Lessor, in its discretion, may affix labels or other identification marks to the Equipment to confirm the Lessor's ownership. The Lessor, in its discretion, may cause financing statements and similar notices to be filed or published evidencing its ownership interest. LESSEE BY SINGING THIS LEASE, AUTHORIZES THE LESSOR AND ITS AGENTS AS ATTORNEY-IN-FACT FRO LESSEE, TO SIGN AND RECORD WITH ALL APPROPRIATE GOVERNMENTAL AGENCIES SUCH FINANCING STATEMENTS AND OTHER DOCUMENTS AS THE LESSOR DEEMS APPROPRIATE TO GIVE NOTICE OF THE LESSOR'S OWNERSHIP OF THE EQUIPMENT AND EXISTENCE OF THIS LEASE AND WAIVES ITS RIGHT TO RECEIVE A COPY OF SUCH DOCUMENTS WITHIN THE TIME PERIOD PRESCRIBED BY LAW. LESSEE FURTHER AGREES TO EXECUTE ALL DOCUMENTS

REASONABLE REQUIRED BY THE LESSOR FOR THE PURPOSES AND TO REIMBURSE THE LESSOR FOR ALL EXPENSES OF PREPARING AND FILING SUCH PUBLIC NOTICES. Lessee agrees to obtain a waiver, if required by and in a form satisfactory to the Lessor, from any landlord, mortgagee or other lien holder of the premises where the Equipment is situated disclaiming any interest in the Equipment, whether arising pursuant to a right of distraint or as the holder of an interest in land and fixtures or otherwise.

**14) RETURN OF EQUIPMENT**

Subject to the rights of Lessee under Section 24, upon the expiration or earlier termination of this Lease, Lessee shall immediately deliver the Equipment to the Lessor at a location designated by the Lessor within Canada. At the time of delivery, such Equipment shall be in the same condition as when delivered to Lessee, ordinary wear and tear excepted. All costs of packaging the Equipment for transport and all costs of transport shall be borne by Lessee.

**15) INDEMNITY.**

Lessee agrees to indemnify and hold the Lessor and its agents harmless from and against all losses, liabilities and claims or expenses (including attorney's fees) incurred by the Lessor as a result of Lessee's purchase and leasing of the Equipment, as a result of Lessee's possession or use of the Equipment or as a result of any failure by Lessee to perform any of its obligations under this lease. LESSEE'S OBLIGATION OF INDEMNITY UNDER THIS SECTION SHALL SURVIVE THE TERMINATION, CANCELLATION OR EXPIRATION OF THIS LEASE.

**16) ASSIGNMENT.**

Except with the Lessor's prior written consent, Lessee will not sell or otherwise transfer, sublease, grant a security interest in or otherwise encumber or otherwise cause or permit any other party to have any right to possess or use the Equipment and will not sell or otherwise transfer, pledge or otherwise encumber or otherwise cause or permit any other party to have any interest in the interest of Lessee under this Lease. The Lessor, without notice to or the consent of Lessee, may sell or otherwise transfer, grant as security interest in or otherwise encumber or otherwise cause to permit another party to have an interest in the Equipment or the interest of the Lessor under this Lease and Lessee agrees not to assert against any such transferee or secured party any claim or defence which Lessee may have against the Lessor.

**17) REMEDIAL ACTIONS BY LESSOR.**

If Lessee fails for any reason to take any action required in Section 7, 8, 9 or 10 with respect to the Equipment, then the Lessor may (but shall not be obligated to) take such action in order to preserve and protect the Equipment and, in such event, Lessee shall be obligated to reimburse the Lessor for all costs incurred in taking such an action immediately upon demand.

**18) COLLECTION CHARGES AND INTEREST.**

If any Rental Payment or any other amount payable by Lessee to the Lessor hereunder is not paid when due, then, in addition to all other rights and remedies which the Lessor may have under this Lease, the Lessor may assess (a) a collection charge of Twenty-Five Dollars (\$25.00) for each month, or part thereof, for which such amount remains delinquent plus (b) interest on the delinquent amount from the due date to the date of payment at a rate equal to the lesser of Two Percent (2%) per month (Twenty-Four Percent (24%) per annum) or the highest charge permitted by law. A returned cheque or non-sufficient funds charge shall be assessed to Lessee to reimburse the Lessor the time and expense incurred with respect to a cheque that is returned for any reason, said charge to be Fifty Dollars (\$50.00).

**19) DEFAULT.**

The following shall constitute events of default under this Lease (an "Event of Default"): (a) Lessee's failure to pay any Rental Payment or any other amount due hereunder within ten (10) days after its due date; (b) Lessee's failure to perform any non-monetary obligation hereunder within ten (10) days after the Lessor delivers written notice demanding performance; (c) Lessee or any Guarantor of this Lease ceases to conduct business as a going concern, makes an assignment for the benefit of creditors, voluntarily files a petition for liquidation, reorganization or similar relief under applicable bankruptcy or insolvency legislation; (d) the Lessor determines that any financial or other information provided to the Lessor with respect to Lessee or any guarantor of this Lease is incomplete or incorrect in any material respect; (e) an involuntary petition for liquidation, reorganization or similar relief under applicable bankruptcy or insolvency legislation is filed against Lessee or any guarantor of the Lease and is not

discharged within thirty (30) days after filing; (f) the death or dissolution of Lessee or any Guarantor of this Lease; (g) the default of the Lessee or any Guarantor of this Lease under any other contract with the Lessor or with any financial institution; or (h) the Lessor, in good faith, deems itself reasonable insecure as to the financial condition of Lessee or any Guarantor under this Lease. No waiver by the Lessor of any Event of Default shall be effective unless in writing and signed by the Lessor.

## **20) REMEDIES UPON DEFAULT.**

Upon the occurrence of an Event of Default, and anytime thereafter, the Lessor may exercise any one or more of the following remedies; (a) declare this Lease to be in default (with or without terminating this Lease) whereupon, at the Lessor's option, all indebtedness, liabilities and obligations of Lessee to the Lessor shall become immediately due and payable; (b) terminate this Lease; (c) take possession of all or any portion of the Equipment, where located, with or without instituting legal proceedings and without incurring any liability to Lessee for damages occasioned by taking possession; (d) require the Lessee at its expense, to package for transport and to transport the Equipment to a location in Canada designated by the Lessor; (e) enter on any premises of Lessee or any other person for the purpose of repossessing the Equipment, and remove it (if necessary, disconnecting it from any other property) or use Lessee's premises for its storage pending sale or for holding a sale without liability for rent or costs (f) upon repossession, (i) subject to compliance with applicable law, accept and retain the Equipment in full satisfaction of Lessee's obligation under this Lease or (ii) sell or lease part or all of the Equipment, by public or private sale or lease, upon such terms as the Lessor deems appropriate (including terms of deferred payment) and reserve the right to collect any deficiency from Lessee; (g) whether or not this Lease may have been or be deemed to have been terminated, demand, sue for and recover damages arising out of the Event of Default (the "Lessor's Loss"), which damages shall include: (i) the sum of all Rental Payments and other amounts payable by Lessee hereunder which are at such time accrued but unpaid, plus (ii) as a genuine pre-estimate of the Lessor's liquidated damages for loss of bargain and not as a penalty, the sum of all Rental Payments for the remainder of the Lease Term which are not accrued as of such date, discounted from their respective payment dates at the rate of five percent (5%) per annum plus (iii) if applicable, the amount of any tax credit required to be recaptured by the Lessor as a result of the early disposition of the Equipment plus (iv) an amount equal to fifteen percent (15%) of the Lessor's actual cost for the Equipment plus (v) all applicable late charges and interest payable pursuant to Section 18 plus (vi) all expenses (including reasonable attorney's fees on a solicitor and own client basis or fees from bailiffs or collection agencies) which the Lessor may incur, pay or become liable for in connection with taking possession of, dismantling, transporting, storing, repairing, reconditioning, selling or otherwise disposing of the Equipment or exercising any of its rights and remedies under this Lease (collectively, "Costs of Disposition"), less the net proceeds, if any, derived from the sale or other disposition of the Equipment, after deducting all Costs of Disposition; (h) exercise any other right or remedy available under applicable law. NO right or remedy given under this Section is intended to be exclusive and each right or remedy shall be cumulative to the extent necessary to permit the Lessor to recover all amounts for which the Lessee is liable hereunder.

## **21) MULTIPLE LESSEES.**

If more than one party has signed this Lease as "Lessee", then the liability of each such party shall be joint and several (or, where this Lease is governed by the laws of Québec, solidary) and, where the context so allows, each reference in this Lease to "Lessee" shall include reference to any one or more or all such parties and the acts or omissions of any such person shall bind them all.

## **22) GUARANTORS**

If any party has signed this Lease as "Guarantor", then such party irrevocably and unconditionally guarantees to the Lessor the full and punctual payment when due of the obligations of the Lessee under this Lease together with interest and collection charges on any unpaid amounts due hereunder calculated from the date on which demand is made on the Guarantor calculated at the rate and in the method by which interest is calculated on Rental Payments or other amounts which are in arrears and all expenses (including reasonable attorney's fees on a solicitor and own client basis or fees from bailiffs or collection agencies) incurred by the Lessor in exercising any of its rights and remedies against the Guarantor. The liability of the Guarantor hereunder is independent of (i) the obligations of Lessee and a separate action may be brought against the Guarantor whether action is brought against Lessee or any other person liable for the obligations of Lessee under the Lease, and (ii) not in consideration of or contingent upon the liability of any other person under any similar instrument and the release of, or cancellation by, any guarantor or grantor of a similar instrument shall not act to release or other affect the liability of the Guarantor hereunder. The Guarantor waives the benefit of any statute of limitations affecting its liability hereunder or the

enforcement thereof to the fullest extent permitted by law. Any part payment by Lessee or other circumstance which operates to toll any statute of limitations as to Lessee shall operate to toll the statute of limitations as to the Guarantor. The Guarantor authorizes the Lessor (in the Lessor's sole discretion), without notice or demand and without affecting the Guarantor's liability hereunder, at any time and from time to time (a) to change the time for payment of Rental Payment or skipping or multiplying the Rental Payment due in a particular rental period and extending or decreasing the duration of the Lease Term; provided that the written consent of the Guarantor shall be required in order to increase the total amount of the Rental Payments under this Lease, (b) provided the Lessor acts in accordance with the standard of commercial reasonableness imposed by operation of law on secured creditors, to alter, depart from, waive or vary the time, standard, diligence, method and or manner for performance or observance on the part of Lessee, the Lessor or any other person of any other term, covenant or agreement, express or implied, in respect to this Lease and the obligations payable hereunder, and (c) to take, hold, exchange, waive, release, perfect, defer or waive taking and/or perfecting, enforce or fail to enforce the Lease, including any collateral for the Lease, and deal with Lessee as the Lessor may see fit. Neither the Guarantor's obligations hereunder nor any right or remedy for the enforcement hereof shall be impaired, modified or released in any manner whatsoever by any impairment, modification, release or limitation of Lessee or its estate in bankruptcy resulting from the operation or effect of any applicable bankruptcy or insolvency legislation, or from the decision of any court or authority interpreting any of the same and the Guarantor's obligations hereunder shall be reinstated if at any time payment of all or part of any sum payable pursuant to the Lease is rescinded or otherwise required to be returned by Lessee upon the insolvency, bankruptcy or reorganization of Lessee, all as though such payment has not been made, regardless of whether the Lessor contested the order requiring the return of such payment. The Guarantor shall be subrogated to all rights and remedies the Lessor may have against Lessee in respect of any and all amounts paid by the Guarantor to the Lessor pursuant to the provisions hereof, but, until all Lessee's obligations under this Lease have been paid in full, the Guarantor's right of subrogation shall be deferred and the Guarantor shall have no right to enforce any remedy which the Lessor now has or may hereafter have against Lessee or to participate in any security now or hereafter held by the Lessor for such obligations.

**23) OPTION TO PURCHASE.**

Provided that Lessee is not then in default and has fulfilled all of its obligations hereunder, Lessee, upon the expiration of the Lease, shall have the option to purchase the Equipment at a cash price of One Dollar (\$1.00), exercisable by written notice delivered by Lessee to the Lessor not later than thirty (30) days prior to the date of expiration. Pursuant to a bill of sale to be executed by the Lessor and delivered against payment in full of the purchase price, the sale of the Equipment by the Lessor to Lessee shall be on an "as is, where is" basis (in the Equipment's then actual state of repair, maintenance and location) at Lessee's own risk and without any warranty of the Lessor other than a warranty that it is transferring all of its right, title and interest in and to the Equipment free and clear of all liens, charges and encumbrances created by the Lessor. Lessee shall pay all Taxes payable upon such transfer. If purchase price is not paid when due, then the Lessor, at its option, may declare the option cancelled and require a return of the Equipment pursuant to Section 14 or may affirm the option and require Lessee to proceed to purchase the Equipment upon the terms stated in this Section.

**24) TIME.**

Time shall be of the essence as to all aspects of this Lease.

**25) APPLICABLE LAW/JURISDICTION.**

This Lease shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. All disputes arising under the Lease will be referred to the courts of the Relevant Jurisdiction or such other court or courts as the Lessor in its sole discretion may elect and, by execution and delivery of this Lease, Lessee irrevocably submits to the jurisdiction of each such court, as well as to the jurisdiction of all courts from which an appeal may be taken from such courts, for the purpose of any suit, action or other proceeding arising out of any of its obligations arising under this Lease or with respect to the transactions contemplated hereby, and expressly waives any and all objections it may have as to venue in any of such courts.

**26) NOTICES.**

Any notice required or permitted to be given under this Lease must be in writing and may be given by delivering, mailing, faxing or emailing the notice to the party to receive the same at the address, fax number or email address

set forth in the Lease or such address, fax number and/or email address as such party may from time to time notify the other of in writing., Such notice shall be deemed to have been given on the day of delivery, fax transmission or email receipt date, if delivered, faxed or emailed, and on the fourth day (excluding Saturdays and Sundays only) following the mailing, if mailed.

**27) ENTIRE AGREEMENT.**

This document constitutes the entire agreement between the Lessor and Lessee. The provisions of the Lease shall not be cancelled, amended, supplemented or waived unless in writing by both the Lessor and Lessee. Lessee acknowledges having received a copy of the Lease.

**28) PROVISIONS SEVERABLE.**

If any term or condition of the Lease or its application to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of the Lease, or the application of such term or condition to person or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each term or condition of this Lease shall be valid and enforceable to the fullest extent permitted by law.

**29) CURRENCY.**

Unless otherwise stated the Lease, all references to dollars herein shall be deemed to be Canadian dollars and all sums of money payable hereunder shall be paid in Canadian dollars.

**30) PROVINCIAL WAIVERS.**

Lessee, if a corporate body, agrees that they *Limitation of Civil Rights Act* in the Province of Saskatchewan shall have no application to the Lease and Lessee further waives all rights and protection given by Section 49 of the *Law of Property Act* in the Province of Alberta, as any such legislation may be amended or replaced from time to time. If the Lease is governed by the laws of Quebec, it shall be deemed to be a contract of leasing as contemplated by Article 1842 of the *Civil Code of Quebec* and Lessee hereby waives and renounces the provisions of Articles 1848 and 1849 of the *Civil Code of Quebec* to the fullest extent permitted by law.

**31) CREDIT INFORMATION.**

Lessee and any Guarantor hereby specifically authorize Lessee to obtain at any time any credit or other personal information concerning Lessee or the Guarantor which the Lessor requires and which, in the option of the Lessor, is pertinent to the credit approval or the completion or performance of the transactions hereby contemplated and any credit bureau, bank, financial institution or other person possessing any such information is, by this consent, authorized to communicate such information on request by the Lessor. Lessee and any Guarantor's credit rating and its capability and past record of meeting its financial obligations.

**32) LANGUAGE.**

The parties thereto have expressly required that this contract and all documents, agreements and notices related thereto be drafted in the English language. Les parties aux présentes ont expressément exigé que le présent contract et tous les autres documents, conventions ou avis qui y sont afférents soient rédigés en langue anglaises.

END OF TERMS AND CONDITIONS