

SCHEDULE "A" - ADDITIONAL TERMS

1. Return of Equipment

1.1 On the expiry of the Term, the Renter shall immediately return the Equipment to the Owner which shall be clean, in proper working order, and in as good a condition as when received by the Renter. Any damage to the Equipment beyond reasonable wear and tear, including removal of any attachments, advertisements, accessories added to the Equipment after the Start Date shall, at the sole discretion of the Owner, be repaired or replaced by the Owner at the sole cost and expense of the Renter and the Renter shall pay all of the costs and expenses incurred by the Owner on demand.

1.2 If the Equipment is not promptly returned to the Owner by the end of the Term, the Renter will be deemed to have purchased the Equipment and will owe the Owner compensation equivalent to the replacement cost of the Equipment, as determined by the Owner, in its sole discretion.

2. Insurance, Operating Costs and Repairs

2.1 Throughout the Term, the Renter shall, at its sole cost and expense, insure the Equipment for full replacement cost (Owner to be noted as additional insured), exercise reasonable care in the use and servicing of the Equipment, and shall maintain, repair, overhaul, service and keep the Equipment in a condition equivalent to its condition at the Start Date, reasonable wear and tear only excepted, and in a fully operative condition and in good working order and ready for use for the intended purpose of the Equipment including, without restriction, replacing all damaged, lost or broken portions thereof with parts of equivalent quality.

2.2 The Equipment shall be at the risk of the Renter from the Start Date until the Owner takes physical possession of the Equipment and, except as hereinafter described, the Renter assumes the risk of liability and shall pay for any loss or damage arising from or pertaining to the possession or operation or use of the Equipment from any cause whatsoever and, without limiting the generality of the foregoing, liability or loss arising from fire, theft, loss, or destruction, of the Equipment or any part thereof.

2.3 In the event that the Equipment or part thereof is damaged, the Renter shall immediately notify the Owner, providing details of the damage suffered and the operable condition of the Equipment. Upon receipt of such notice, the Owner may, in its sole discretion, require the Renter to do any one or more of the following:

- (a) return the Equipment to the Owner for inspection, assessment and repair;
- (b) deliver the Equipment to an authorized repair contractor identified by the Owner for inspection, assessment and repair; or
- (c) attend to the repair of all or any portion of such damage, as may be directed by the Owner;

all at the Renter's sole cost and expense.

3. Alterations

3.1 Except with the prior written consent of the Owner, the Renter shall not make any modifications or alterations to the Equipment. All modifications, alterations, parts, mechanisms, additions, and repairs made by the Renter to the Equipment shall be made at the Renter's expense and risk and the cost of rectifying them shall be borne by the Renter. The modifications, alterations, parts, mechanisms and repairs, whether conducted with or without consent of the Owner, shall immediately belong to and become the property of the Owner at no expense or cost whatsoever to the Owner.

4. Title to the Equipment

4.1 Title to the Equipment shall at all times remain in the name of the Owner. The Renter shall have no right, title or interest in the Equipment other than the right to maintain possession and use of the Equipment for the Term, subject always to the Renter's compliance with all terms, covenants, and conditions contained within this Agreement.

5. Liens

5.1 The Renter shall keep the Equipment free and clear of all seizures, forfeitures, liens, claims, pledges, debts or adverse claims of any nature and shall pay all license fees, registration fees, assessments, charges and taxes, which may be levied or assessed directly or indirectly against or on account of the Equipment or any interest therein or use thereof.

6. Renter's Covenants

6.1 So long as this Agreement remains in effect, the Renter covenants:

- (a) to cause the Equipment to be operated in a lawful manner and only by competent, qualified and where applicable, fully licensed operators;
- (b) to cause the Equipment to be used only in a prudent and safe manner and only for the purpose for which they were designed;
- (c) to furnish at its own expense all fuel, oils, lubricants and other labour or material necessary for the operation and maintenance of the Equipment;
- (d) to not share the Equipment with any other person, nor lend, rent, lease or sublet the Equipment to any other person or user, without the express written consent or approval from the Owner;
- (e) upon the expiry of the Term, to immediately return the Equipment to the Owner (the Renter shall not be permitted to give the equipment to any other person or user prior to return to the Owner); and
- (f) to promptly notify the Owner of any accident, damage, deficiencies or theft related to the Equipment, and/or of deficiencies in the Equipment.

7. Events of Default

7.1 If:

- (a) the Renter becomes insolvent, bankrupt or if a receiver is appointed for the Equipment of the Renter or bankruptcy, re-organization, insolvency, liquidation or dissolution proceedings shall be instituted by or against the Renter;
- (b) the Renter fails to make a payment as and when required under this Agreement; or
- (c) the Renter shall be in default of any of its obligations hereunder and such default continues after the expiry of three (3) days' written notice by the Owner requiring the Renter to rectify such default, unless however, said default is not reasonably capable of being rectified within the said period and the Renter, acting reasonably, is working and continues to work diligently towards rectifying such material default; the same shall constitute an Event of Default.

7.2 In addition to any other rights or remedies available, upon an Event of Default occurring, the Owner may take possession of the Equipment.

8. Overdue Rent

8.1 Any overdue payment of Rent or any other monies due under this Agreement to the Owner shall bear interest from the due date to date payment is received by the Owner at a rate of fifteen percent (15%) per annum.

9. Waiver and Indemnity

9.1 The Renter hereby:

- (a) waives any and all claims, rights or causes of action of every nature and kind at law or equity or under any statute that it has or may have in the future against the Owner or its councilors, officers, employees and agents; and
- (b) forever releases Owner or its councilors, officers, employees and agents from any and all liability;

related to injury, death, property damage, property loss or any other loss or expense that may be suffered by the Renter or, to the extent legally possible, its employees, agents, next of kin or legal representatives, resulting directly or indirectly from, or in any way attributable to the condition of the Equipment and the sufficiency of the instructions or training provided by the Owner, or in any way attributable to the transportation, operation, maintenance, repair, use, misuse, nonuse of the Equipment by the Renter, its directors, officers, contractors, employees, servants, or agents or any other person that handles or uses the Equipment prior to its return to the Owner in accordance with this Agreement.

9.2 The Renter shall be liable for, and shall indemnify and save harmless the Owner, its councilors, officers, employees and agents from any claim, damages, liability, cost, fee, penalty, action, cause of action, demand, damage to property, injury to person or death (including, without limitation to, legal fees of the Owner on a solicitor and his own client full indemnity basis), whether in contract or in tort, suffered or incurred by the Owner, its councilors, officers, servants, employees or agents or by any other person, firm, partnership, corporation or entity resulting directly or indirectly from, attributable to, by reason of, arising out of, or in any way related to the transportation, operation, maintenance, repair, use, misuse, or nonuse of the Equipment by the Renter or any other person during the Term, whether or not the Renter has permitted the person to use the Equipment, or from any breach of this Agreement or any other negligent act or omission or willful misconduct of the Renter or any of its directors, officers, servants, agents, contractors, or employees.

10. General

10.1 The headings to the articles and sections of this Agreement are solely for the convenience of the parties and are not an aid in the interpretation of the Agreement.

10.2 No consent or waiver, express or implied, by the Owner to or of any breach or default by the Renter in the performance by the Renter of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance of obligations hereunder by the Renter. Failure on the part of the Owner to complain of any act or failure to act of the Renter, or to declare the Renter in default, irrespective of how long such failure continues, shall not constitute a waiver by the Owner of its rights hereunder.

10.3 If any term, covenant or condition of this Agreement or the application thereof to any party or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement or application of such term, covenant or condition to a party or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining term,

covenant or condition of this Agreement shall be valid and shall be enforceable to the fullest extent permitted by law.

10.4 This Agreement shall be governed by and construed according to the laws of the Province of Alberta. All legal proceedings arising from this Agreement shall be tried and directed by the court of competent jurisdiction in Alberta.

10.5 Time is of the essence of this Agreement and each of its provisions.

10.6 The terms and conditions set forth within this Agreement, together with the Schedules, shall constitute all of the terms and conditions of this Agreement, and there are not other terms, conditions, covenants, agreements, representations or warranties, either express or implied, arising between the parties hereto except as expressly set forth herein.

10.7 The Renter shall at all times and in all respects abide by all laws, bylaws, legislative and regulatory requirements of any governmental or other competent authority relating to the use or misuse of the Equipment.

10.8 The Renter's obligations contained in this Agreement shall survive the expiration or termination of this Agreement for any reason whatsoever until satisfied in full, and shall not be merged upon the execution of any other documentation by the parties.

10.9 This Agreement shall enure to the benefit of and be binding upon the parties hereto, their respective executors, administrators, successors and permitted assigns.