



CANADIAN RENTAL ASSOCIATION
ASSOCIATION CANADIENNE DE LOCATION

SAMPLE RENTAL AGREEMENT (LEASE)

Terms and conditions

1. Contract Term

The term of this Rental Agreement, hereafter referred to as “Term”, shall be for the duration specified overleaf and, unless a date is otherwise specified in this Agreement, will commence on the date the equipment is received by the Lessee.

2. Rental Period

Any equipment is leased for a minimum period of one (1) day. For the purpose of the present Agreement, rental periods are set as follows:

- One (1) day: twenty-four (24) hours.
- One (1) week: seven (7) days.
- One (1) month: twenty-eight (28) days.

For all legal purposes, the Lessee shall be considered having had the use of the rented equipment or accessories on the day the Lessee took possession of the equipment or accessories until the day it was returned to the Lessor. The Lessee agrees to inform the Lessor of any extra time to be added to the initial Term for the purpose of using the rented equipment, which shall be charged to the Lessee.

3. Inspection of Rented Equipment

The Lessee declares having had the opportunity to personally inspect the equipment. Furthermore, the Lessee agrees that the equipment is in good condition, that it meets the needs, that *he was provided with the instruction manual and that he understands how to operate the equipment.

4. Rental Charges

The Lessee shall pay rent to the Lessor at the rate specified on the face hereof, for each article of equipment for the entire Term of the Agreement. If, upon expiry of the Agreement, the Lessee retains the equipment with the consent of the Lessor, the Term of the Agreement shall be extended until the equipment is returned to the Lessor, in accordance with the same terms and conditions of the present Agreement. The Lessor may at any time after giving the Lessee a **one-day written notice**, terminate the extended Agreement, and may enter upon any premises where the equipment is kept, to repossess the equipment without prejudice to all its other rights and recourse, pursuant to this Agreement and the law.

5. Maintenance of Property Rights

The equipment herein described that is in possession of the Lessee is and shall remain the exclusive property of the Lessor.

6. Use of the Equipment

The Lessee shall only have the right to use the rented equipment under the terms and conditions of the present Agreement. The Lessee shall not move the equipment from the place of use specified in the face hereof to another site without prior written consent of the Lessor.

7. Destruction, Loss, Theft and Fire

Total loss, theft, fire or destruction of the equipment does not terminate the present Agreement, and the Lessee shall be responsible to pay for the rent so long as the equipment is not returned to the Lessor or the value of the equipment is not paid in full to the Lessor. Furthermore, the Lessee agrees to inform immediately the Lessor and local authorities of any loss, theft or destruction of the equipment. The Parties agree that the value of the rented equipment shall be the cost of replacement **at the time of loss.**

8. Delay

The inability or delay, not caused by the Lessee's fault, to use the rented equipment, does not release the Lessee from payment of rental fees agreed upon as specified in the face hereof, and the Lessee will not claim any compensation from the Lessor.

9. Contract Expiration

Upon expiry of the Agreement or termination before Term, the Lessee shall return the equipment to the Lessor at the Lessor address indicated at the face hereto in the same condition the equipment was received, except for normal wear and tear, **unless Lessee obtains prior consent of the Lessor to retain the equipment. The Lessor**, and any person authorized by the Lessor, may without prior consent, repossess the equipment, and to this end, enter upon any premises to repossess the said equipment. It is the responsibility of the Lessee to establish if the equipment was returned, and the date it was returned.

10. Use, Maintenance and Repair

The Lessee guarantees that the equipment will be used appropriately by individuals who have the skills to operate this equipment. The Lessee shall, at his own expense, maintain the equipment in good working condition and repair. Furthermore, **the Lessee shall be responsible for any and all damages caused to the said equipment.** Any part added to the equipment or used in replacement shall become the property of the Lessor. The Lessee agrees to provide access to the equipment by the Lessor and to any staff member authorized by the Lessor for equipment inspection purposes. The Lessee shall be responsible for all repairs of any nature whatsoever and shall not be entitled to any rent reduction. The Lessee shall pay the fees, taxes and penalties or other charges associated to the possession or use of the equipment, as well as any deductible amounts required by the insurer, in case of damages or replacement of equipment.

11. Compensation

The Lessee agrees to guarantee and fully indemnify the Lessor for any claim or legal proceeding against the Lessor as a result of any loss, injury or damage, including any loss of profit or other indirect damages incurred by the Lessor, his employees, representatives or third party, as a result of the presence or the absence of the equipment.

12. Termination of Agreement

The Lessor may, without prejudice to all rights and recourse, under the present Agreement and pursuant to the law, terminate in full right the present Agreement without prior notice or official notification, in one or other of the following cases:

- a) If the Lessee fails to pay the rent, or any other owing amounts pursuant to the present Agreement;
- b) If the Lessee violates any one of the other provisions of the Agreement;
- c) If the Lessee initiates legal proceedings under any law that is related to insolvency or bankruptcy or if any proceedings are initiated against the Lessor, pursuant to such laws;
- d) If a receivership, licensed trustee or any other person with similar authority is nominated to take over part or all the Lessee's assets or business;
- e) The dissolution or liquidation, whether voluntary or involuntary;
- f) If the Lessee fails to pay one of the instalments within thirty (30) days of its due date;
- g) Improper or abusive use of the equipment by Lessee;
- h) If Lessee mortgages the rented equipment.

In the case of Termination of Agreement, the Lessor may repossess the sold equipment hereunder and to this end, enter upon in any premises to repossess the said equipment. In the event of repossession of the equipment, pursuant to the above-mentioned provisions, the Lessee is nevertheless responsible for any and all amount of rent that is past due or that is to become due, amount or reimbursement, under the Agreement and for any damage incurred by the Lessor arising from the offence by the Lessee, including any reasonable expenses incurred by the Lessor to enforce the Agreement.

13. Sublease and Assignment

The Lessee shall not sublease the equipment or any part thereof, nor will the Lessee assign or transfer the Agreement without prior written consent of Lessor who can refuse such a transfer **if there is serious justification for doing so.**

14. Equipment Forfeiture

If Lessor's equipment is subject to a given seizure or forfeiture or if any other type of executing measures were to be taken against the Lessee by one of his creditors and that, consequently, the Lessor should undertake measures, of any kind, including but not limited to an opposition of seizure, seizure in revendication to repossess the equipment, the Lessor shall be entitled to claim all fees reasonably incurred to that end, besides all other remedies under the present Agreement and/or the law.

15. Chattel Mortgage

The Lessee shall ensure that the equipment is free of any chattel mortgage. Failing to do so, the Lessee shall be responsible for the reimbursement of amounts paid and all incurred expenses by the Lessor to obtain discharge and release of any mortgage.

16. Maintenance

The Lessee agrees to return the leased property to the Lessor in good clean condition. Failing to comply with this obligation, the Lessee shall be responsible to pay all cleaning fees and charges.

17. Payment of costs

If the account is turned over to a collection agency, the Lessee agrees to pay the collection charges corresponding to an amount equal to 20% of such unpaid amount owed as liquidated damages.

18. Dangerous Equipment

All leased equipment that generates heat, that poses a risk of combustion, explosion or friction, and that is operated with flammable and explosive material or otherwise, shall be operated by the Lessee under constant and appropriate surveillance of a qualified operator.

19. Declaration of Contract

The Lessee hereby expressly authorizes the Lessor to declare the present contract Agreement and any subsequent lease and authorizes any work provider and/or owner and/or bond to withhold and pay all amounts that may be owed to the Lessor under the terms of the present Agreement or any subsequent lease. See Appendix A - Declaration.

20. Invalidity of Provisions

The invalidity of any or many provisions of the present Agreement shall not render invalid the other provisions of this Agreement.

21. Waiver by the Lessee

No forbearance or mitigation of the Lessor, while exercising his rights under the present Agreement, or approved time limit granted to the Lessee by the Lessor shall prejudice or affect the rights of the Lessor under the terms of this Agreement.

22. Notice

Any notice given to the other party shall be considered valid if sent by registered mail to the address of the other party mentioned on the back of the present Agreement and any notice so given shall be deemed to have been delivered the day following the day that it was mailed.

23. Interpretation

Unless a contrary intention is indicated in this Agreement, the terms Lessor and Lessee used throughout the present Agreement respectively refer to the Lessor, his administrators, executors, successors and assigns, and the Lessee, his administrators, executors, successors and assigns. If there are more than one Lessor or Lessee, all obligations shall be joint and several.

24. Interests

Any and all past due accounts shall be subject to a 2% monthly interest, or 24% annually. Any uncollectable cheque will be subject to fees in the amount of \$35.00 plus interests.

25. Rebilling Privilege

The Lessee authorizes the Lessor to use the imprint of his credit card given to guarantee payment at the time of opening the account to pay any balance due or owing amounts under the terms of the present Agreement.

26. Personal Information

The Lessee shall pay a deposit to secure the value of the rented equipment; otherwise, the Lessee shall provide valid identity documents with a picture to enable identification. The disclosed personal information is protected in accordance with the *Act respecting the protection of personal information in the private sector* and will be stored and used as provided by the law.

The Lessee confirms to the Lessor that, failing to provide an adequate deposit, the collection of personal information is justified by serious and legitimate motives due to the value of the rented equipment. The Lessee confirms that the consent to disclosing personal information is manifest, free, informed and is given for specific identification purposes.

INITIALS: ____

The purpose of collecting information is to protect the rented equipment against any theft, fraud or other risks, and the collected personal information will only serve to identify the Lessee. The only people who may have access are the person in charge of the internal file and, if need be, any stakeholder intended by the relevant provisions of the *Act respecting the protection of personal information in the private sector*. If need be, the information may be transmitted to any third party, provided that the said third party is intended in the *Act respecting the protection of personal information in the private sector*. The information shall be kept on hard copy and/or computer file of the Lessor. Upon the return of the rented equipment, the information shall be destroyed following

an inspection or no later than five business (5) days following the Term of the Rental Agreement.

The information may be kept and used at a later date if the Lessee expressly authorizes it by initialling his approval; therefore, the information shall be destroyed only if a formal request is made.

INITIALS: ____

27. GOVERNING LAW

In addition to the districts permitted by the law, the Parties agree that they will be able to take action for any claim or legal proceeding for any motive whatsoever associated to the Agreement in the district of Terrebonne.

Signature of Lessee

Personal guarantee

I, the undersigned, declare having read the present Rental Agreement, and undertake jointly and severally to guarantee any and all obligations of the company, whose name and date are indicated on the face hereof, regarding any amount owing to the Lessor in effect as of now or at any time after the present day. Furthermore, I irrevocably declare renouncing to the benefit of division and discussion, understanding that the present obligation constitutes a continued guarantee, that is applicable to all debts incurred towards the Lessor by the Lessee.

Signature of Lessee