



CRÉDIT-BAILLEUR
424, rue Guy #114, Montréal, QC H3J 1S6
Tél. : (514) 989-0090 • Fax : (514) 989-9564

*9009-6843 Québec inc.

CUSTOMER NO.
LEASE NO.

LESSEE NAME			
ADDRESS			
CITY AND PROVINCE	POSTAL CODE	TYPE OF BUSINESS	
PERSON TO CONTACT	TEL NO. (Inc. Area Code)	YEARS IN BUSINESS	
SUPPLIER	Name:	BANK:	
	Address:	ADDRESS:	
	Representative:	TEL:	
		ACCT. # :	

LOCATION OF EQUIPMENT							
LANDLORD	Name & Address						
INSURANCE BROKER	Name & Address						
QUANTITY	EQUIPMENT DESCRIPTION (including Model and Serial No. (s))						
TERM	PAYMENTS WILL BE MADE	NO. OF PAYMENTS	OTHERS	Rental Amount	T.P.S.	Provincial sales Tax #	Total rental Payment
No. of months	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Annually						

TERMS AND CONDITIONS OF LEASE - ADDITIONAL TERMS AND CONDITIONS ON THE REVERSE SIDE HEREOF FORM A PART OF THIS LEASE

This Lease ("Agreement") shall not become binding upon Lessor until accepted in writing by Lessor as evidence by the signature of a duly authorized officer of Lessor in the space provided below.

Lessor hereby leases to Lessee the personal property herein described and all accessories supplied therewith and accessories thereto, all herein called the Equipment upon the terms and conditions set forth therein.

1. RENTAL Lessee shall pay to Lessor as rental for the Equipment, the periodic rent payments set forth above. Such rent payment shall be payable at Lessor's Head Office as follows: first rent payment upon the execution hereof by Lessee and subsequent rent payments in every calendar month or other calendar period, after the month of shipment on the 1st of such month or period. Rent hereunder is payable without abatement; provided that a charge may be assessed on any partial receipt of Equipment by Lessee from time to time prior to the actual commencement date of the Agreement computed from the respective dates of such receipts and said payment shall become due and payable on said actual commencement date.

2. LOCATION AND USE. The Equipment shall be located and used at the place designated herein and not elsewhere, without the prior written consent of Lessor. Lessee shall cause the Equipment to be maintained and operated carefully, in compliance with manufacturer's recommendations and applicable laws and regulations, by competent and duly qualified personnel only, and for business purposes only.

3. WARRANTIES. Lessee acknowledges that the seller and/or manufacturer of the Equipment and its specifications have been selected by the Lessee and that the Lessor has purchased this Equipment at the request of the Lessee for the purpose of this Agreement. No representation or warranty, express or implied, legal, statutory, customary or otherwise is given or made by the Lessor respecting the Equipment including but without limitation the merchantability, condition, design, operation or fitness for purpose of use thereof or its freedom from liens and encumbrances. If the Equipment is not properly installed, does not operate as intended by Lessee or as represented by the manufacturer or the seller, totally fails to function or perform so as to give rise to a fundamental breach or alleged fundamental breach with respect to the Equipment, or is unacceptable for any other reason whatsoever, Lessee shall claim only against such seller or manufacturer and shall nevertheless unconditionally pay Lessor all rent, and other amounts expressed to be payable hereunder. Lessor hereby assigns to Lessee. Lessee hereby accepting, for and during the applicable lease term, the warranties, if any and if assignable, of the manufacturer and or seller with respect to the Equipment and Lessor agrees upon the prior written request of the Lessee, and at Lessee's expense, to co-operate reasonably with Lessee in the enforcement of any such warranties. Lessee expressly warrants and represents to the Lessor that the seller and/or manufacturer of the Equipment has agreed to the assignment by the Lessor to the Lessee of the warranties, if any, which may pertain to the Equipment.

THE UNDERSIGNED ACKNOWLEDGES TO HAVE READ THE ENTIRE AGREEMENT AND ACCEPTS THE TERMS AND CONDITIONS THEREOF.

DATE EXECUTED: _____ 20 _____

Geolin

PER : _____
Authorized Signature

TITLE: _____

NAME OF LESSEE: _____

The undersigned affirms that she/he is duly authorized to execute this AGREEMENT.

PER _____ TITLE: _____
Authorized signature

Name in block letters _____

PER _____ TITLE: _____
Authorized signature

Name in block letters _____

LEASE AGREEMENT

4. **TAXES: INDEMNITY.** Lessee agrees to comply with all laws, regulations and orders relating to this Agreement and the Equipment and to pay when due, all license fees, assessments and sales, use property, excise and other taxes now or hereafter imposed by any federal, provincial or municipal taxing authority upon this Agreement or any Equipment, or the purchase, ownership, delivery, leasing, possession, use operation, and return thereof. Lessee shall assume the risk of liability arising from or pertaining to the possession, operation or use of such Equipment. Lessee does hereby agree to indemnify, hold safe and harmless from and against and covenants to defend Lessor against any and all claims, costs, expenses, damages and liabilities, arising from or pertaining to the purchase, ownership, delivery, leasing, possession, use, operation, and return of such Equipment (other than income or corporate taxes of the Lessor). Any fees, taxes or other lawful charges paid by Lessor upon failure of Lessee to make such payments, shall at Lessor's option become immediately due from Lessee to Lessor. The indemnities contained in this clause shall survive the termination of this Agreement.

5. **ASSIGNMENT.** Lessee agrees not to sell, assign, sublet, pledge, hypothecate, or otherwise encumber or suffer a lien upon or against any interest in this Agreement or the Equipment. Lessor may assign its rights hereunder to any other person.

6. **TITLE.** Lessee shall have no right, title or interest in the Equipment other than, conditional upon Lessee's compliance with and fulfillment of the terms and conditions of this Agreement, the right to maintain possession and use the Equipment for the full lease term. Lessor may require plates or markings to be affixed to or placed on the Equipment indicating Lessor is the owner. Lessor and Lessee hereby confirm their intent that the Equipment shall always remain and be deemed personal or moveable property, even though said Equipment may hereinafter become attached or affixed to realty.

7. **REPAIRS: LOSS AND DAMAGE.** The Equipment shall be at the risk of Lessee. Lessee, at its own cost and expense, shall keep all Equipment in good repair, condition and working order and shall furnish all parts, mechanisms, devices and servicing required therefor. All such parts, mechanisms and devices shall immediately become the property of Lessor and part of the Equipment for all purposes hereof. Lessee may make additions to the Equipment provided that such additions do not impair the value or utility thereof and such additions shall belong to the Lessor. In the event that any item of Equipment shall become lost, stolen, destroyed or damaged beyond repair for any reason, or in the event of any condemnation, confiscation, theft or seizure or expropriation of such item, Lessee shall promptly pay to Lessor an amount equal to i) the present value of the aggregate of all unpaid amounts due hereunder as rental or otherwise to the expiration of the term (calculated by discounting such amounts at 8% per annum) plus ii) the amount of any residual which Lessor may have in the Equipment. Upon such payment Lessor will transfer to Lessee, without recourse or warranty, all of Lessor's right, title and interest, if any, in such item.

8. **LESSEE'S OBLIGATIONS, UNCONDITIONAL.** Lessee hereby agrees that Lessee's obligation to pay all rent and any other amounts owing hereunder shall be absolute and unconditional under all circumstances. Lessee agrees to pay all rent and such other amounts regardless of any claim in the nature of set off or compensation which may be made by Lessee.

9. **REPUDIATION AND DEFAULT.** If Lessee shall fail to make any rent payment or other payments required hereunder when due and such failure shall continue unremedied for a period of 10 days after written notice by Lessor, or Lessee attempts to dispose of or encumbers the Equipment, it shall be conclusively presumed and deemed that the Lessee has repudiated this Agreement and the Lessor may accept such repudiation.

The occurrence or happening of any one or more of the following events shall constitute an event of default:

- (i) Lessee shall fail to perform or observe any covenant, condition or agreement to be performed or observed by it hereunder and such failure shall continue unremedied for a period of 10 days after written notice thereof by Lessor; or
- (ii) any representation or warranty made by Lessee herein or in any document or certificate furnished to Lessor in connection herewith or pursuant hereto shall prove to be incorrect at any time in any material respect, or
- (iii) Lessee shall become insolvent or bankrupt or make an assignment for the benefit of creditors or consent to the appointment of a trustee or receiver, shall be appointed for Lessee or for a substantial part of its property without its consent and shall not be dismissed within a period of 10 days, or bankruptcy, reorganization or insolvency proceedings shall be instituted by or against Lessee and, if instituted against Lessee, shall not be dismissed within a period of 10 days; or
- (iv) a writ, execution, attachment or similar process is issued or levied against the Equipment and such writ, execution, attachment or similar process is not released, bonded, satisfied, discharged, vacated or stayed within 10 days after its entry, commencement or levy.

In the event of a repudiation of this Agreement or upon the happening of an event of default, Lessor may:

- (a) enter upon the premises where such Equipment is located and take immediate possession thereof, whether it is affixed to realty or not, and remove the same, without liability to Lessor for or by reason of such entry or taking of possession, whether for damage to property or otherwise and sell, lease or otherwise dispose of the same for such consideration and upon such terms and conditions as Lessor may reasonably deem fit.
- (b) in the name of and as the irrevocably appointed agent and attorney for Lessee and without terminating or being deemed to have terminated this Agreement take possession of the Equipment and proceed to lease the Equipment to any other person, firm or corporation on such terms and conditions, for such rental and for such period of time as Lessor may deem fit and receive such rental and hold the same and apply the same against any monies expressed to be payable from time to time by Lessee hereunder.
- (c) terminate this Agreement and by written notice to Lessee specifying a payment date not earlier than 5 days from the date of such notice, require Lessee to pay to Lessor on the date specified in such notice, as a genuine pre-estimate of liquidated damages for loss of a bargain and not as penalty, an amount equal to (i) the present value of the aggregate of all unpaid amounts due hereunder as rental or otherwise to the expiration of the term calculated by discounting such amounts at 6% per annum plus (ii) the amount of any residual interest which Lessor may have in the Equipment.
- (d) as a late charge require the payment of interest at the rate of 24% per annum on any overdue payment until paid.

Upon payment of such amounts Lessor shall refund to Lessee the net amount received by Lessor on any sale, lease or disposition of the Equipment after deducting all costs and expenses, including legal fees and disbursements on a solicitor/client basis. Except as otherwise expressly provided above, no remedy referred to in this Section is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to Lessor at law or in equity.

10. **EXPENSES UPON REPUDIATION OR DEFAULT.** If Lessee repudiates the Agreement or is in default thereunder Lessee shall be liable for any and all unpaid additional rent due or to become due hereunder and other costs and expenses incurred by reason of the occurrence of any event of default or the exercise of Lessor's remedies in respect thereof, including all costs and expenses incurred in connection with the placing of such Equipment in the condition required by the section entitled "Return of Equipment".

INITIAL OF LESSEE	
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11. **NOTICES.** Any notices and demands required to be given herein shall be given to the parties in writing and by registered mail at the address herein set forth, or to such other address as the parties may hereafter substitute by written notice given in the manner prescribed in this paragraph.
12. **INSURANCE.** Lessee shall obtain, and maintain for the entire term of the Agreement, at its own expense, property damage and liability insurance and insurance against loss or damage to the Equipment including without limitation, loss by fire (including extended coverage), theft, collision and such other risks of loss as are customarily covered by insurance on the type of Equipment leased hereunder and by prudent operators of businesses similar to that in which Lessee is engaged, in such amounts, in such form and with such insurers as shall be satisfactory to Lessor. The amount of insurance covering damage to or loss of the Equipment shall not be less than the present value of the aggregate of all unpaid amounts due hereunder, as rental or otherwise, to the expiration of the term (calculated by discounting such amounts at 8% per annum) plus the amount of any residual interest which Lessor may have in the Equipment. Each insurance policy will name Lessee and Lessor as insured, will name Lessor as loss payee thereof, and shall contain a clause requiring the insurer to give to Lessor at least 10 days prior written notice of any alteration in the terms of such policy or of the cancellation thereof. At Lessor's request, Lessee shall furnish to Lessor a certificate of insurance or other evidence satisfactory to Lessor that such insurance coverage is in effect, provided, however that Lessor shall be under no duty either to ascertain the existence of or to examine such insurance policy or to advise Lessee in the event such insurance coverage shall not comply with the requirements hereof. Lessee further agrees to give Lessor prompt notice of any damage to or loss of, the Equipment or any part thereof. Lessee will at its expense make all proofs of loss and take all other steps necessary to recover insurance benefits, unless advised in writing by Lessor that Lessor desires so to do, at Lessee's expense. Proceeds of insurance will be disbursed by Lessor against satisfactory invoices for repair or replacement of Equipment, provided this Lease not then be in default or at the option of Lessor in satisfaction of Lessee's obligations under the section entitled "Repairs, Loss and Damage". Performance by Lessee under this paragraph will not affect or release Lessee's obligations and liabilities herein elsewhere provided.
13. **RETURN OF EQUIPMENT.** Upon expiration of the lease term, the Lessee, at its own risk and expense, will immediately return the Equipment to Lessor in the same condition as when delivered, ordinary wear and tear excepted, at such location as Lessor shall designate.
14. **FURTHER ASSURANCES.** Lessee will promptly execute and deliver to Lessor such further documents and take such further action as Lessor may request in order to more effectively carry out the intent and purpose hereof. Lessee shall upon request of Lessor, deliver Lessee's audited financial statements to Lessor within 120 days of the expiry of each fiscal year of Lessee and unaudited statements to Lessor within 30 days of the expiry of each fiscal quarter.
15. **NON-CANCELLABLE LEASE.** This Agreement cannot be terminated except as expressly provided herein.
16. **COLLECTION CHARGES.** Should Lessee fail to pay when due any part of the rent herein reserved or any sum required to be paid to Lessor hereunder, Lessee shall pay to Lessor, in addition hereto, a late charge of thirty dollars (\$30) for each month or part thereof for which said rent or other sum shall be delinquent together with interest on any and all delinquent payments and amounts in default from date thereof until paid in full at the rate of 24% per annum calculated monthly.
17. **CREDIT INVESTIGATION.** The Lessee hereby consents to the Lessor conducting a personal investigation or credit check upon the Lessee subject to applicable legislation.
18. **WAIVER.** The parties hereto agree that this document be written in the English language. Les parties aux présentes conviennent à ce que ce document soit rédigé dans la langue anglaise.
19. **MISCELLANEOUS.** Time is of the essence with respect to this Agreement, and no waiver by Lessor of any default shall constitute a waiver of any other default by Lessee or waiver of Lessor's rights. Should Lessee fail to perform any obligation hereunder, Lessor may cause such obligation to be performed and the cost thereof together with interest at 24% per annum shall be considered as additional rental to be paid by Lessee. This Agreement may not be amended except in writing and shall be binding upon and inure to the benefit of the parties hereto, their permitted successors and assigns. Any provision of this Agreement which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. The provisions of The Limitations of Civil Rights Act (Saskatchewan), Sections 19 to 24 of the Sale of Goods on Conditions Act (British Columbia) and Sections 47, 49 and 50 of the Law of Property Act (Alberta) are waived by the Lessee. The captions in this Agreement are for convenience only and shall not define or limit any of the terms hereof.
20. **ELECTION OF DOMICILE.** The parties hereto elect domicile in the City and District of Montreal for all legal purposes and jurisdiction of the courts. The lease shall be interpreted and enforced in accordance with the laws of the Province of Quebec.

GUARANTEE

The undersigned guarantor(s) jointly and severally guarantee(s) to Lessor and the Lessor's assigns prompt payment of all rent and other monies payable under the Lease as set forth herein, including any and all monies payable under the lease as set forth above and the performance and observance of all of the Lessee's obligations thereunder and hereby waives notice of default by Lessee and the benefits of division and discussion and agrees this guarantee shall not be released or impaired by any extension of time, indulgences or modifications which Lessor may extend or make with Lessee or the bankruptcy or insolvency of the Lessee.

To the extent not prohibited by law applicable to or governing this contract, the Guarantor(s) HEREBY WAIVES the benefit of all provisions of any applicable conditional sales, regulatory credit and other statutes and regulations made thereunder in any and all provinces of Canada, which would in any manner, affect, restrict, or limit the rights of Lessor hereunder including, without limiting the generality of the foregoing, all of its rights, benefits and protection given or afforded to it by Sections 14, 14A and 14B of the Conditional Sales Act of British Columbia as amended, Section 49 of the Law of Property Act of Alberta as amended, and the provisions of the Limitation of Civil Rights Act of Saskatchewan as amended. Guarantor also waives and assigns to Lessor the right of any statutory exemption from execution of otherwise and further waives any right to demand security for costs in the event of litigation AND GUARANTOR(S) HEREBY ACKNOWLEDGE(S) NOTICE OF THE WAIVER GIVEN BY THE LESSEE.

Name of Guarantor _____

Name of Guarantor _____

Address / S.I.N. _____

Address / S.I.N. _____

Signature _____

Signature _____

INITIAL OF LESSEE	
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LEASE AGREEMENT

APPLICATION FOR PRE-AUTHORIZED PAYMENT PLAN

FINANCEMENT GEOLIN INC., is hereby requested and authorized to draw payments periodically under the Pre-Authorized Payment Plan and conditions on the lease agreements between the Lessor and undersigned.

You are hereby authorized to pay and debit to the account of the undersigned mentioned below whether it continues to be maintained at the branch named below or is from time transferred to another branch of the bank, all payments purporting to be draw on you on behalf of the undersigned payable to the Lessee and presented to you for payment and to pay and debit to the said account all amounts specified of any magnetic or computer produced paper tape that is purports to be a direction on behalf of the undersigned to credit an amount to the said Payee and to debit such amount to the said account. This authorization may be revoked on ten days written notice to the branch of the bank at which the said account if for the time being maintained.

In consideration of your acting as aforesaid, it is agreed that your treatment of each such payment and your rights with respect to it shall be the same as if it were signed by the undersigned personally and any amount specified on tape shall be the same as a written direction by the undersigned to credit the payee and debit the amount to the account of the undersigned and that failure to pay any payment or to debit the amount specified on tape shall give rise to no liability on your part regardless of the loss or damage.

Name of the bank or financial institution

Address of branch

Transit # Account #

Legal name of Lessee

Authorized signatory 1: Local: Authorized signatory 2: Local:

DELIVERY AND ACCEPTANCE OF INSTALLATION CERTIFICATE

The undersigned Lessee acknowledges delivery and / or installation of the Equipment herein below described which is the equipment described in that certain Lease No. _____ (insert Lessor's purchase number) in wich lease the undersigned is Lessee and FINANCEMENT GEOLIN is Lessor. THE UNDERSIGNED LESSEE ACKNOWLEDGES THAT SUCH EQUIPMENT (COMPLETE WITH ACCESSORIES WHERE APPLICABLE) HAS BEEN INSPECTED, IS IN GOOD CONDITION, OPERATING SATISFACTORILY AND IN ALL RESPECTS IS ACCEPTABLE. THE UNDERSIGNED LESSEE ACKNOWLEDGES THAT SUCH EQUIPMENT IS LOCATED AS REPRESENTED.

QUANTITY	DESCRIPTION (MANUFACTURER, MODEL, SERIAL NO.)

NAME OF LESSEE: _____ DATE _____ 20 _____
(LEGAL COMPANY NAME)

THE UNDERSIGNED AFFIRMS THAT SHE / HE IS DULY AUTHORIZED TO EXECUTE THIS DELIVERY AND ACCEPTANCE CERTIFICATE.

NAME AND TITLE IN BLOCK LETTERS X _____
SIGNATURE

INITIAL OF LESSEE	
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