

AGREEMENT TO RENT

By signing below, Customer agrees to lease from Tech-Con Automation ULC dba APS Canada (“APS Canada”), subject to the terms of this Rental Contract (“Rental Contract” or “Contract”) and the Terms and Conditions or addenda attached hereto, the equipment (the “Equipment”) identified above. The Equipment shall not be removed from the equipment location identified above without APS Canada’s prior written consent. The rental term shall commence upon the Lease Date and shall continue for the term referenced above (the “Initial Term”, and if extended pursuant to the Terms and Conditions, the “Term”).

PRICES. The prices shown on the face hereof are those currently in effect. APS Canada may unilaterally establish discounts or promotional incentives related to the rental of its equipment from time to time.

DELIVERY AND ACCEPTANCE. Subject to the approval of APS Canada, Customer will determine and arrange the means of transportation of the Equipment. Customer will be responsible for and pay all freight, shipment, and insurance charges associated with the transportation of the Equipment.

PAYMENT. Unless other arrangements have been made in writing between APS Canada and Customer, Customer promises and agrees to pay all rental installments upon receipt of invoice and to pay such other charges as are herein provided and conveyed under the Terms and Conditions. The Contract is a net lease, meaning expenses and liabilities associated with the Equipment or its rental shall be borne by Customer. Customer’s agreement to pay all obligations under the Contract, including but not limited to the rental installments, is absolute and unconditional, and such agreement is for the benefit of APS Canada and its assignees.

TAXES AND FEES. Customer agrees to use, operate and maintain the Equipment in accordance with all laws in all material respects; to pay all licensing and registration fees for the Equipment; to keep the same free of levies, liens and encumbrances; to show the Equipment as “Equipment” on Customer’s personal property tax returns; to pay all personal property taxes assessed against the Equipment, which sum Customer shall remit to the taxing authority; to pay all other federal, provincial and local taxes, assessments, fees and penalties which may be levied or assessed on or in respect to the Equipment or its use or any interest therein, or rental payments thereon including but not limited to all sales and use taxes, however designated, levied or assessed upon the Customer and APS Canada or either of them or said Equipment, or upon the sale, ownership, use or operation thereof (other than those measured by APS Canada’s net income). APS Canada may pay such taxes and other amounts and may file such returns on behalf of Customer if Customer fails to do so as provided herein. Customer agrees to reimburse APS Canada for all costs incurred in collecting any charges, taxes, assessments or fees for which Customer is liable hereunder.

LATE CHARGE. In the event the financial obligations of Customer hereunder are not met when due, Customer promises to pay (1) a late charge to APS Canada or its assigns not later than one month thereafter, in an amount calculated at the rate of five percent (5%) of each such delayed payment. The late charge and/or the interest payment set forth in this Contract shall apply only when permitted by law and, if not permitted by law, the late charges and/or interest payments shall be calculated at the maximum rate permissible by law.

Signature: _____

Name: _____

Title: _____

Date: _____

GENERAL TERMS AND CONDITIONS OF RENTAL CONTRACT

These Terms and Conditions shall operate as Customer's acceptance of APS Canada's Rental Contract, and such acceptance is made expressly conditional on assent by Customer to the Terms and

Conditions.

1. WARRANTIES AND DEFENSES. Subject to the limitations and conditions hereinafter set forth, APS Canada warrants to Customer that the Equipment is free from defects in workmanship and material for a period of six (6) months after delivery to Customer. APS Canada's obligation under this warranty shall be limited to repairing, replacing or issuing a credit for, at APS Canada's option, the Equipment or services it finds to be defective in material or workmanship. In no event shall APS Canada be liable for any incidental, consequential or indirect damages of any kind. **THIS WARRANTY SHALL BE IN LIEU OF ANY OTHER WARRANTY, EXPRESSED OR IMPLIED, INCLUDING ANY WARRANTY FOR MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.** No statement or recommendation made by APS Canada or its representatives to Customer shall constitute a warranty by APS Canada or a waiver or modification of any of the provisions hereof or create any liability for APS Canada. All warranty claims are subject to the exclusions and limitations set forth below:

1.1 The warranty shall not apply if the Equipment or service (1) has been subject to misuse, negligence or accident; (2) has not been installed or operated in accordance with APS Canada's recommendations; (3) has been operated under more severe conditions than those specified for the particular Equipment or service; (4) has been operated beyond the rated capacity of the Equipment; or (5) has been repaired or altered outside APS Canada's facilities or in any way so as, in APS Canada's sole and absolute judgment, to affect its stability or reliability.

1.2 Any Equipment that APS Canada furnishes, but has not manufactured, shall carry only the warranty of the manufacturer of such Equipment. Where other manufacturers' or suppliers' products used in APS Canada's Equipment or services prove defective, APS Canada's liability shall exist only to the extent that APS Canada is able to recover from such manufacturers or suppliers for such defects.

1.3 Any warranty granted by APS Canada to Customer shall be deemed void if the Equipment covered by such warranty is used for any purpose not recommended or permitted hereunder.

In addition, Customer shall indemnify APS Canada and hold APS Canada harmless from and against any and all claims, damages, losses, costs, expenses and other liability of whatever nature that APS Canada suffers or incurs by reason of any such use.

1.4 Notice of defective Equipment or service must be given in writing to APS Canada by Customer within ten (10) business days following receipt of the Equipment. Customer shall keep such products or services in an unaltered condition for examination by APS Canada's representative. No Equipment may be returned for credit or adjustment without prior written permission from APS Canada.

2. PRODUCT LIABILITY. Customer specifically acknowledges that the Equipment may be operated at high speeds and/or pressures, and that as such it may be inherently dangerous if not used correctly. Customer shall be solely responsible for the safe operation of the Equipment at all times, and for determining and utilizing any and all safety devices and guards that may be required for the safe operation of the Equipment. Customer shall be responsible for identifying and obtaining all such safety devices and guards as are necessary for the safe operation of the Equipment. All safety devices and guards offered in APS Canada's quotations are strongly recommended for purchase. While not required, APS Canada may provide necessary safety devices and guards not offered in the Contract at an extra price. Customer shall at all times use and require its employees to use all necessary and appropriate safety devices, guards and proper safe operating procedures.



Customer shall not remove or modify any such devices, guards or warning signs and shall insist on safe operating practices on the part of its personnel. In no event shall APS Canada be responsible for any injuries to persons or property caused by defects in any Equipment and/or safety devices, including by way of illustration and not limitation, any pumps, compressors, fittings, connections, components, piping or hoses. Customer agrees to indemnify and to hold APS Canada harmless from any and all liability or obligation incurred by or against APS Canada, including costs and attorneys' fees, to or by any persons injured directly or indirectly in the operation of the Equipment.

3. EQUIPMENT CONDITION. APS Canada may inspect the Equipment at any time during business hours upon reasonable notice, and Customer agrees to keep the Equipment in good condition and repair (ordinary wear and tear excepted) at Customer's expense and house the same in suitable shelter, and not to sell or otherwise dispose of the Equipment or any accessories attached thereto. Customer shall cause the Equipment to be maintained and serviced in accordance with the recommendations of APS Canada and otherwise in accordance with sound and customary industry practices.

4. MAINTENANCE, TRAINING, ADDITIONS AND ATTACHMENTS. During the term of the Contract, maintenance or repairs to the Equipment may only be performed by APS Canada's authorized personnel.

However, APS Canada has no responsibility during the rental term to perform such maintenance unless notice is received from Customer to APS Canada that maintenance is necessary. Customer shall not incorporate or attach any additions or attachments to the Equipment, or modify it in any way without APS Canada's prior written consent.

APS Canada believes that proper training for the safe use, and operation of the Equipment is vital. To this end, APS Canada, at its own discretion, will provide Customer with information, materials, manuals and other technical documents necessary to operate the Equipment. Customer will maintain a well-trained, technically competent qualified staff sufficiently experienced in operations and maintenance of the Equipment, and provide its staff with opportunities to attend training and educational classes. APS Canada might also assist Customers in training and education of its staff, as APS Canada deems appropriate.

5. OWNERSHIP. The parties agree that (i) the Contract creates a lease of personal property, rather than the sale of the Equipment secured by a security interest, within the meaning of the Personal Property Security Act (British Columbia) (the "PPSA"), the *Bankruptcy and Insolvency Act* (Canada) (the "BIA"), the *Winding-up and Restructuring Act* (Canada), the *Companies Creditors' Arrangement Act* (Canada) (the "CCAA"), the *Fraudulent Conveyance Act* (British Columbia) and the *Fraudulent Preference Act* (British Columbia) and other applicable laws, and that (ii) the Initial Term is less than the remaining economic life of the Equipment. No title or right in the Equipment shall pass to Customer except the rights herein expressly granted. Customer shall give APS Canada immediate notice in the event that any of the Equipment is levied upon or is about to become liable or is threatened with seizure, and Customer shall indemnify APS Canada against all loss and damages caused by such action. Upon the termination of the Initial Term, except as provided in Section 6 below, Customer will immediately crate, insure, and ship the Equipment and operating manuals to whatever destination APS Canada shall direct, all at Customer's expense, in as good condition as received less normal wear and tear, said destination to be confirmed by Customer prior to shipment. Customer agrees to pay APS Canada rent at the rate specified for the Term for any time from the end of the Term until the Equipment is shipped by Customer.

6. EXPIRATION OF CONTRACT. At the expiration of the Initial Term, Customer shall provide at least three (3) days prior written notice to APS Canada of Customer's intent to either (a) extend the Contract for a specified period of time at a rental rate determined by APS Canada (in its sole discretion) to be the fair market value rental rate for the Equipment at such time; or (b) return the Equipment to APS Canada pursuant to Section 5 above. In the event that notice is not given at least three (3) days prior to the expiration of the Initial Term or any renewal or extension then in effect, then this Agreement shall continue as a hold-over, and Customer shall continue to pay the rent then required hereunder, until

Customer thereafter meets the three (3) day prior written notice requirement. Nothing herein shall be deemed or construed as a waiver of APS Canada's rights and remedies upon the expiration or termination of the Initial Term.

7. ASSIGNMENT. CUSTOMER SHALL NOT ASSIGN, MORTGAGE OR HYPOTHECATE THE CONTRACT OR ANY INTEREST HEREIN WITHOUT THE PRIOR WRITTEN CONSENT OF APS CANADA AND ANY SUCH TRANSFER OR ASSIGNMENT WITHOUT SUCH CONSENT WILL BE VOID. TITLE TO THE EQUIPMENT SUBJECT TO THE CONTRACT IS RETAINED BY APS CANADA AND CUSTOMER COVENANTS THAT IT WILL NOT PLEDGE OR ENCUMBER THE EQUIPMENT IN ANY MATTER WHATSOEVER, NOR PERMIT ANY LIENS, CHARGES, OR ENCUMBRANCES TO ATTACH THERETO.

8. RISK OF LOSS AND INSURANCE. Customer shall bear all risk of loss for the Equipment during the term of the Contract, commencing with the delivery of the Equipment to Customer. Customer agrees to keep the Equipment insured and to provide proof of insurance to APS Canada in the Equipment; to protect all interests of APS Canada, at Customer's expense, against all risks of loss or damage from any cause whatsoever for not less than the full replacement value of said Equipment, and to purchase and maintain at its own cost and expense insurance in coverage and amounts as reasonably determined by APS Canada from time to time, including general liability, general automotive liability, public liability, workers' compensation liability and property damage (fire, casualty and theft) insurance. During the Term of the Contract, APS Canada shall be named as an additional insured and loss payee in all such insurance policies. Each policy shall expressly provide that said insurance as to APS Canada and its assigns shall not be invalidated by any acts, omissions or neglect of Customer and cannot be canceled without thirty (30) days prior written notice to APS Canada. **As to each policy, Customer shall furnish APS Canada with a Certificate of Insurance and copy of policy from the insurer reflecting the coverage required by this Section on or before the Lease Date.** The proceeds of such insurance, whether resulting from loss or damage or return of premium or otherwise, shall be applied toward the replacement or repair of the Equipment or the payment of Customer's attorney-in-fact to make claim for, receive payment of and execute or endorse all documents, checks or drafts for loss or damage or return premium under any insurance policy issued for the Equipment.

9. INDEMNITY. Customer shall, at its sole cost and expense, indemnify, hold harmless and defend APS Canada and its agents, employees, officers and directors from and against any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including attorneys' fees, arising out of, connected with, resulting from or relating to the Equipment or the condition, delivery, leasing, location, maintenance, manufacture, operation, ownership, possession, purchase, repair, repossession, return, sale, selection, service or use thereof, including without limitation: (a) claims involving latent or other defects (whether or not discoverable by Customer or APS Canada); (b) claims for trademark patent or copyright infringement; and (c) claims for injury or death to persons or damage to property or loss of business or anticipatory profits, whether resulting from acts or omissions, including negligence, of Customer, APS Canada or otherwise. Customer shall give APS Canada prompt written notice of any claims or liability covered by this Section. The indemnities under this Section shall survive the satisfaction of all other obligations of Customer herein and the termination of the Contract.

10. TERMINATION AND CANCELLATION.

10.1 The Contract may be terminated or cancelled by APS Canada if: (1) Customer fails to promptly pay APS Canada any rental payment, taxes or other charges when due; (2) Customer is in default of any other provision hereof and such default is not cured within five (5) business days after APS Canada gives written notice thereof; or (3) Customer becomes insolvent or seeks protection, voluntarily or involuntarily, under any bankruptcy laws.

10.2 In the event of any termination/cancellation of the Contract, APS Canada may: (1) declare all amounts owed to APS Canada to be immediately due and payable; (2) enter Customer's premises and repossess the Equipment and all other

items supplied by APS Canada; and (3) cease performance of all obligations of APS Canada hereunder without liability to Customer.

10.3 The foregoing rights and remedies of APS Canada shall be cumulative and in addition to all other rights and remedies available to it at law or in equity.

11. OMISSION. The omission by APS Canada at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants or provisions hereof or the Customer at any time designated, shall not be a waiver of any such default or right to which APS Canada is entitled, nor shall it in any way affect the right of APS Canada to enforce such provisions thereafter. APS Canada may exercise all remedies simultaneously, pursuant to the terms hereof and such action shall not operate to release the Customer until the full arrival of the rentals due and to become due and all other sums to be paid hereunder have been paid.

12. NOTICES. Any notice or other communication to be given hereunder shall be in writing and shall be (as elected by the party giving such notice): (i) personally delivered; (ii) transmitted by postage prepaid registered or certified mail, return receipt requested; (iii) deposited prepaid with a nationally recognized overnight courier service; or (iv) transmitted by electronic mail via the Internet (with a copy of such transmission delivered promptly thereafter by registered or certified mail or courier). Unless otherwise provided herein, all notices shall be deemed to be effective on: (a) the date of receipt (or if delivery is refused, the date of such refusal); or (b) if by electronic mail, the date transmitted to the appropriate electronic mail address and an appropriate return receipt or telephone confirmation is received. Notice hereunder shall be directed to a party at the address for such party set forth on the first page of the Contract.

13. GOVERNING LAW, VENUE, and JURY WAIVER. The Contract shall be governed and interpreted in accordance with the laws of the province of APS Canada's principal office, which is the Province of Ontario, and any suit hereon shall be brought in the county of such office. To the extent permitted by law, the parties waive their right to a jury trial.

14. ATTORNEY'S FEES. If APS Canada incurs any legal fees associated with the enforcement of the Contract or any rights under the Contract, then APS Canada shall be entitled to recover its reasonable attorney's fees and any court, arbitration, mediation, or other litigation expenses from Customer.

15. INTEGRATION. The Contract is the sole agreement between the parties relating to the subject matter hereof and supersedes all prior understandings, writings, proposals, representations or communications, oral or written, of either party.