

All Terrain Equipment Rental Policy

Moncton, New Brunswick

This Equipment Rental Agreement ("Agreement") is entered into by and between All Terrain Equipment Inc., a business registered under the laws of New Brunswick, hereinafter referred to as the "Lessor", and the individual, business, or corporation identified as the "Lessee".

By renting equipment from All Terrain Equipment Inc, Lessee agrees to the following terms:

1. TERM

The lease term for each item of equipment begins on the date of pick-up or delivery to the Lessee and ends when the equipment is returned to the Lessor's premises in Moncton, NB, or as otherwise agreed in writing.

2. RENT

The rental fee for each item is stated in the rental agreement or invoice and is subject to applicable taxes.

3. LOCATION

The equipment must remain within the Province of New Brunswick unless prior written consent is provided by the Lessor. Lessee must notify the Lessor of the exact location of the equipment at all times.

4. USE

Lessee shall comply with all applicable laws, safety regulations, and industry best practices when using the equipment. If equipment bears labels or markings of All Terrain Equipment Inc., they must not be removed or altered.

5. ACCEPTANCE

Lessee acknowledges that the equipment was inspected and accepted in good working order and condition upon receipt.

6. INSPECTION

Lessor reserves the right to inspect the equipment or its use at any time during regular business hours.

7. ALTERATIONS

Lessee shall not alter or modify the equipment without written approval from the Lessor. Any modifications made shall become property of the Lessor upon termination of the lease.

8. LOSS, DAMAGE & REPAIRS

Lessee assumes all risk of loss or damage and must maintain the equipment in good working condition. Any repair or replacement costs, including loss of rental revenue due to damage, will be the responsibility of the Lessee.

9. OPERATING EXPENSES

Lessee shall, at their own expense, cover:

- All fuel, lubricants, and fluids;
- All maintenance, servicing, and repairs will be performed and covered by All Terrain Equipment Inc., unless damage is due to misuse, negligence, or unauthorized operation by the Lessee.

10. RETURN OF EQUIPMENT

Upon termination of the lease, the equipment must be returned in the same condition as received, excluding normal wear and tear from proper use.

11. TAXES

The Lessee is responsible for all applicable taxes, registration fees, and any other charges arising from the use or rental of the equipment.

12. WARRANTIES

All Terrain Equipment Inc. provides no warranties, express or implied, as to the condition, performance, or fitness of the equipment.

13. LIABILITY

Lessee assumes full responsibility for any injury, death, damage, or loss resulting from the use or handling of the equipment. Lessee agrees to indemnify and hold harmless the Lessor.

14. INDEMNITY

Lessee shall indemnify the Lessor against all claims, damages, expenses, or liabilities resulting from the possession or use of the equipment.

15. INSURANCE

Lessee shall obtain and maintain insurance coverage for:

- General liability
- Theft, fire, and physical damage
- Replacement value of equipment

A Certificate of Insurance (COI) naming All Terrain Equipment Inc. as an additional insured must be provided prior to equipment release and upon request.

16. ENVIRONMENTAL FEE

An environmental recovery fee may be applied to cover costs associated with managing hazardous fluids (e.g., oil, grease, hydraulic fluid). This is not a government-mandated charge.

17. EVENTS OF DEFAULT

The occurrence or happening of any one or more of the following events shall constitute an Event of Default:

- a. default in continuance thereof for 2 days in the payment of rent or other charge payable by the Lessee under the lease; by
- b. default in the observation or performance of any other term, covenant or condition of this lease or any other lease or other agreement between the lessor and the Lessee whether before or hereafter made;
- c. any representation or warranty make by the Lessee, or any report, notice or other writing furnished by the Lessee to the Lessor in connection therewith, being untrue in any material respect;
- d. the Lessee suspending business;
- e. if all or any part of the equipment is, or may be in imminent danger of being confiscated, sequestered or seized under process of law;
- f. any act by the Lessee reducing the value or usefulness of the equipment, including failure to maintain or repair the equipment as required;
- g. a subjection of the equipment to aby lien, levy, charge, security interest or encumbrance;
- h. the Lessee making a sale in bulk of its assets or becoming insolvent or bankrupt or unable to pay its debts as they fail due or any bankruptcy., reorganization, debt arrangement or other proceeding under any bankruptcy or insolvency lay or any dissolution or liquidation proceeding being instituted by or against the Lessee and, if instituted against the Lessee and defended by the Lessee, remaining undismissed for 10 days,
- i. the private or court appointment of a receiver or a receiver manager or officer of similar powers over any part of the Lessee's property,
- j. if any insurance placed or maintained pursuant to the terms of the lease of shall lapse or be cancelled and shall not be replaced by another policy within 2 days after notice from the Lessor to the Lessee; or
- k. the Lessee parting with the equipment; then upon the happening of an Event of Default, the Lessor may at its sole option;

- i. enter upon the premises on which the equipment is located and take immediate possession thereof, whether it is affixed to realty or not, and remove the same, without order of the court and without liability to the Lessor or by reason of such entry in taking possession, whether for damage to property or otherwise, sell, lease or otherwise dispose of the same for such consideration upon such terms and conditions as the Lessor may reasonably deem fit;
- ii. in the mane of and as an irrevocably appointed agent and attorney for the Lessee and without terminating or being deemed to have terminated the lease 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 the Lessor may deem fit and receive such rental on all the same and apply the same against an monies expressed to be payable from time to time by the Lessee;
- iii. terminate the lease and by writing notice to the Lessee specifying a payment date not earlier than 2 days from the date of such notice or require the Lessee to pay the Lessor on the date specified in such notice arrears of rental payments as of the date of the lease termination;
- iv. the genuine pre-estimate of liquidated damages for loss as a bargain and not as penalty, the present worth of the aggregate involuntary amounts yet to become due as rentals or otherwise to the expiration of the term calculated by discounting such amounts at 5% per annum; and
- v. the interest charges provided for in Section 11 hereof. All rights and remedies provided are cumulative and are not intended to be exclusive in addition to any other right or remedy previously referred to or otherwise available to the lessor at law or at equity and any one or more of the Lessor's right and remedies made from time to time be exorcised independently or in combination without prejudice to any other right or remedy the Lessor may have or may have yet to exorcise. The Lessee acknowledges that seizure or repossession of the equipment shall not, by implication of law, extinguish the Lessee's indebtedness to the Lessor.

18. BANKRUPTCY

If Lessee files for bankruptcy or becomes insolvent, this lease shall immediately terminate, and the Lessor retains the right to repossess the equipment.

19. LEGAL FEES

Lessee agrees to cover all legal and collection costs incurred by the Lessor due to lease enforcement or equipment recovery.

20. ASSIGNMENT

Lessee may not transfer or sublease the equipment without written consent from the Lessor.

21. OWNERSHIP

The equipment remains the sole property of All Terrain Equipment Inc. Lessee holds no ownership interest. The Lessor reserves the right to register a security interest under the applicable Personal Property Security Act (PPSA).

22. RENTAL CALCULATION

All rentals are based on:

- An 8-hour working day
- A 5-day work week

Overuse or multiple shifts may incur additional charges. All equipment is subject to a one-day minimum rental term.

23. CONVERSION

Failure to return equipment more than one (1) week past the scheduled return date may be deemed conversion, subject to legal action for theft.

24. CONTRACT CONDITIONS

Only the terms within this Agreement shall apply. Any additional terms in purchase orders are not binding unless accepted in writing by Lessor.

25. SEVERABILITY

If any part of this Agreement is found invalid, the remaining provisions shall remain in full force.

26. GOVERNING LAW

This Agreement shall be governed and interpreted under the laws of the Province of New Brunswick.

SIGNATURES

By signing below, both parties confirm that they have read, understood, and agreed to the above terms and conditions. Each party acknowledges the opportunity to seek independent legal counsel.