



Equipment Lease Agreement

This (the "Agreement") is made and entered on Date:

_____, by and between

REX DISTRIBUTION INC. ("Lessor") and

Business/Personal Name:

("Lessee") (Collectively referred to as the "Parties").

The Parties agree as follows:

1. EQUIPMENT: Lessor hereby leases to Lessee the following equipment:

I. Tea/Coffee Machine Model: 3300 3SVM

II. Water Pump

III. 3 Canister

IV. _____

(The "Equipment").

2. LEASE TERM: The lease will start on _____ (payment date) on month to month basis and can be terminated anytime by giving a **15 day** advance written notice to the lessor expressing their reasons and intention to cancel the services. The lessee should inform the lessor days prior to billing cycle of the month of service in order to cancel the services.

3. LEASE PAYMENTS: The lessor decides the rental payment as **\$56.00+tax** per month for 24 months on a renewal terms.

4. LATE CHARGES: If any amount under this Agreement is more than 30 days late, Lessee agrees to pay a late fee of 2% per month.

5. DAMAGE DEPOSIT: Prior to taking possession of the Equipment, Lessee shall deposit with Lessor, in trust, deposit of **\$500.00** as a deposit for the performance by Lessee of the terms under this Agreement and for any damages caused by Lessee or Lessee's agents to the Equipment during the Lease Term. Lessor may use part or all of the damage deposit to repair any damage to Equipment caused by Lessee or Lessee's agents. However, Lessor is not limited to the damage deposit amount and Lessee remains liable to pay for any balance. Lessee shall not apply or deduct any portion of any damage deposit from the last or any month's rent. Lessee shall not use or apply any such damage deposit at any time in lieu of payment of rent. If Lessee breaches any terms or conditions of this Agreement, Lessee shall forfeit any deposit, as permitted by law.

6. DELIVERY: Lessee shall not be responsible for all expenses and costs:
I) at the beginning of the Lease Term, of shipping the Equipment to Lessee's premises and
ii) at the end of the Lease Term, of shipping the Equipment back to Lessor's premises.

7. DEFAULTS: If Lessee fails to perform or fulfill any obligation under this Agreement. Lessee shall be in default of this Agreement. Subject to any statute, ordinance or law to the contrary, Lessee shall have seven (7) days from the date of notice of default by Lessor to cure the default. In the event Lessee does not cure a default, Lessor may at Lessor's option: (a) cure such default and the cost of such action may be added to Lessee's financial obligations under this Agreement; or
(b) declare Lessee in default of the Agreement. If Lessee shall become insolvent, cease to do business as a going concern or if a petition has been filed by or against Lessee under the Bankruptcy Act or similar federal or state statute, Lessor may immediately declare Lessee in default of this Agreement. In the event of default, Lessor may, as permitted by law, re-take possession of the Equipment. Lessor may, at its option, hold Lessee liable for any difference between the Rent that would have been payable under this Agreement during the balance of the unexpired term and any rent paid by any successive lessee if the Equipment is re-let minus the cost and expenses of such re-letting. In the event Lessor is unable to re-let the Equipment during any remaining term of this Agreement, after default by Lessee, Lessor may at its option hold Lessee liable for the balance of the unpaid rent under this Agreement if this Agreement had continued in force.

8. POSSESSION AND SURRENDER OF EQUIPMENT: Lessee shall be entitled to possession of the Equipment on the first day of the Lease Term. At the expiration of the Lease Term, Lessee shall surrender the Equipment to Lessor by delivering the Equipment to Lessor or Lessor's agent in good condition and working order, ordinary equipment body wear and tear accepted, as it was at the commencement of the Agreement.

8.1 REFUND POLICY: The lessee may decide to terminate the services at anytime by giving a 15 days advance notice. In case, the lessee decides to return the equipment after one year from the day the services begin the lessee will be charged 0% of the total deposit. In case, the lessee decides to return the equipment within third quarter from commencement of the services the lessee will be charged 25% of the total deposit. In case, the lessee decides to return the equipment within second quarter from commencement of the services the lessee will be charged 50% of the total deposit. In case, the lessee decides to return the equipment within first quarter from commencement of the services the lessee will be charged 75% of the total deposit.

9. USE OF EQUIPMENT: Lessee shall only use the Equipment in a careful and proper manner and will comply with all laws, rules, ordinances, statutes and orders regarding the use, maintenance of storage of the Equipment. The lessee agrees to use TWEAK and CHAI HAI premix powder refill provided exclusively by Lessor. Use of any other Premix powder is expressly and strictly prohibited. In such event, the damage deposit will be forfeited and the equipment shall be duly returned to the Lessor in good condition.





Equipment Lease Agreement

10. **CONDITION OF EQUIPMENT AND REPAIR:** Lessee or Lessee's agent will inspect the Equipment and by entering the agreement confirms that the Equipment is in good and acceptable condition.

11. **MAINTENANCE, DAMAGE AND LOSS:** Lessee will, at Lessee's sole expense, keep and maintain the Equipment clean and in good working order and get it repaired by lessor during the Lease Term. In the event the Equipment is lost or damaged or infected by pest or beyond repair or total loss, Lessee shall pay to Lessor the replacement cost of the Equipment; in addition, the obligations of this Agreement shall continue in full force and effect through the Lease Term.

12. **INSURANCE:** Lessee shall be responsible to maintain insurance on the Equipment with losses payable to Lessor against fire, theft, collision, and other such risks as are appropriate and specified by Lessor. Upon request by Lessor, Lessee shall provide proof of such insurance.

13. **ENCUMBRANCES, TAXES AND OTHER LAWS:** Lessee shall keep the Equipment free and clear of any liens or other encumbrances, and shall not permit any act where Lessor's title or rights may be negatively affected. Lessee shall be responsible for complying with and conforming to all laws and regulations relating to the possession, use or maintenance of the Equipment. Furthermore, Lessee shall promptly pay all taxes, fees, licenses and governmental charges, together with any penalties or interest thereon, relating to the possession, use or maintenance of the Equipment.

14. **LESSORS REPRESENTATIONS:** Lessor represents and warrants that he/she has the right to lease the Equipment as provided in this Agreement and that Lessee shall be entitled to hold and possess the Equipment, and Lessor will not interfere with that right as long as Lessee pays the Rent in a timely manner and performs all other obligations under this Agreement.

15. **OWNERSHIP:** The Equipment is and shall remain the exclusive property of Lessor.

16. **SEVERABILITY:** If any part or parts of this Agreement shall be held unenforceable for any reason, the remainder of this Agreement shall continue in full force and effect. If any court of competent jurisdiction deems any provision of this Agreement invalid or unenforceable and if limiting such provision would make the provision valid, then such provision shall be deemed to be construed as so limited.

17. **ASSIGNMENT:** Neither this Agreement nor Lessee's rights hereunder are assignable except with Lessor's prior, written consent.

18. **BINDING EFFECT:** The covenants and conditions contained in the Agreement shall apply to and bind the Parties and the heirs, legal representatives, successors and permitted assigns of the Parties.

19. **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

20. **NOTICE:** Any notice required or otherwise given pursuant to this Agreement shall be in writing and emailed to info@rexdistribution.ca or

mailed at certified return receipt requested, postage prepaid, or delivered by overnight delivery service to:

Lessor: Rex Distribution Inc.

Lessee: _____

Either party may change such addresses from time to time by providing notice as set forth above.

21. **ENTIRE AGREEMENT:** This Agreement constitutes the entire agreement between the Parties and supersedes any prior understanding or representation of any kind preceding the date of this Agreement. There are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Agreement. This Agreement may be modified in writing and must be signed by both Lessor and Lessee.

22. **CUMULATIVE RIGHTS:** Lessor's and Lessee's rights under this Agreement are cumulative, and shall not be construed as exclusive of each other unless otherwise required by law.

23. **WAIVER:** The failure of either party to enforce any provisions of this Agreement shall not be deemed a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement. The acceptance of rent by Lessor does not waive Lessor's right to enforce any provisions of this Agreement.

24. **INDEMNIFICATION:** Except for damages, claims or losses due to Lessor's acts or negligence, Lessee, to the extent permitted by law, will indemnify and hold Lessor and Lessor's property, free and harmless from any liability for losses, claims, injury to or death of any person, including Lessee, or for damage to property arising from Lessee using and possessing the Equipment or from the acts or omissions of any person or persons, including Lessee, using or possessing the Equipment with Lessee's express or implied consent.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year first above written.

LESSOR: (Name) REX DISTRIBUTION INC., Brampton, Ontario.

T: 1.833.888.8739 GST: 761077080RC0001

LESSEE:

(Name and Business Name) _____

