

RENTAL AGREEMENT
Attention:



Mixology Canada Inc.
 326 Deerhurst Drive, Unit 1
 Brampton, Ontario, L6T 5H9
 (905)793-9100
 (905)793-9953 fax
 GST#887183432RT0001

Company Information

Customer's Legal Name			Customer Contact Name
Customer's Trade Name			Telephone Number
Installation Address			Fax Number
City	Province	Postal Code	

****** Required Information**

Landlord Name (if premises rented)	Telephone Number	Fax Number
Landlord Address	City	
	Province	Postal Code

Credit Card (In lieu of a Security Deposit) ** Required Information**

Card Type (Visa, Mastercard, American Express)	Card Number	Expiration Date
Name on Card	Card Holder's Address	Postal Code

Head Office Address or Alternative Mailing Address (if applicable)

Address	City
	Province
	Postal Code

Bank References

Bank Name	Branch	Bank Contact
Address	Account Number	City
	Province	Postal Code

Equipment Description	Serial No.	Installation Date

Payment:	Rental Amount	GST/HST	PST	Total Rental Amount
<input type="checkbox"/> Summer (\$400.00)				
<input type="checkbox"/> Annual (\$500.00)				

Minimum Annual Purchase by Lessor of Island Originals Frozen Drink Products	cases
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SEE REVERSE SIDE FOR ADDITIONAL TERMS AND CONDITIONS WHICH ARE PART OF THIS AGREEMENT

Mixology Canada Inc.	Customer The Undersigned affirms that he/she is duly authorized to execute this Agreement.
Mixology Canada Authorized Signature	Customer Authorized Signature
Print Name	Print Name
Title	Title
Date	Date

LEASE TERMS AND CONDITIONS

You request that we lease to you the personal property shown on the reverse (the "Equipment"), for business or commercial purposes. Your offer will be binding on us when we accept it by having an authorized employee sign in the space provided on the reverse. All Rental Payments and other sums due and to become due shall be payable to us at our office unless we direct you otherwise in writing.

- Ownership. THIS AGREEMENT DOES NOT GIVE YOU ANY RIGHT WHATSOEVER TO PURCHASE OR TAKE TITLE TO THE RENTED PROPERTY.** This Equipment is the property of Mixology Canada Inc. and you have no right to or interest in it except as expressly set forth herein.
- Total Rental Payment.** You will pay each and every "Total Rental Amount" as shown above. Subsequent payments will be due on the same day of each interval following the Commencement Date, whether or not we invoice you.
- Island Originals Products.** It is a condition of the lease that the Lessee agrees to purchase Island Originals frozen drink products until such time as the lease is terminated by either party. Failure of the Lessee to purchase the minimum annual volume of Island Originals frozen drink products set out on the reverse shall constitute an event of default. At the request of the Lessor, the Lessee shall provide satisfactory proof of purchase of Island Originals frozen drink products.
- Restrictions on Use of Equipment.** The Lessee agrees that the SB3X Shaver Blender will not be used by any other party or for any other purpose than the preparation and sales of Island Originals frozen drink products. The Lessee will not make or permit any changes or alterations in the Equipment, remove, alter or deface any marks, markings, numbers, labels or inscriptions, impressed on or affixed to the Equipment by or with the approval of the Lessor; or attach or affix any mark, marking, number, label or inscription on any Equipment without the prior written consent of the Lessor.
- Equipment Location.** Equipment shall not be removed without our prior written consent from the Equipment Installation Address shown on reverse. We shall have the right to inspect Equipment at any reasonable time during business hours.
- Personal Property.** The Equipment is and shall at all times remain personal property.
- Assignment; Offset.** YOU MAY NOT ASSIGN, TRANSFER, OR SUB-LET ANY INTEREST IN THIS LEASE OR THE EQUIPMENT WITHOUT PRIOR WRITTEN CONSENT OF THE LESSOR. We may assign this Lease or mortgage the Equipment, or both, in whole or in part without notice to you. If you receive notice, you will acknowledge receipt thereof in writing. Each assignee or mortgagee of ours shall have all of our rights, but none of our obligations under this Lease. You shall not assert against assignee or mortgagee any defenses, counterclaims, or offsets you may have against us. This Lease operates to the benefit of and is binding upon the heirs, administrators, successors and assigns of the parties hereto. You acknowledge that any assignment by us will neither materially change your duties hereunder nor increase your burdens or risks hereunder.
- Taxes; No Liens.** You will be responsible for all charges and taxes (municipal, provincial and federal) incurred by us which may now or hereafter be payable or levied upon the sale, purchase, personal property ownership, leasing, possession or use of the Equipment. You shall keep the Equipment free and clear of all liens and encumbrances. You agree that we may increase the Total Rental Payment as a result of any increases in taxes.
- Indemnity.** You shall indemnify, defend and hold us harmless from any costs, expenses, damages, fines, claims or lawsuits arising from the lease, possession, use, condition, or return of the Equipment. The obligations under this Section survive Lease expiration or termination.
- Lease Term; Noncancelability; Nonassignability.** This lease shall continue for, the number of months shown in the space above as Initial Lease Term and end after you have fulfilled all your obligations. FOR THE FIRST TWELVE MONTHS OF THE TERM, THIS LEASE CANNOT BE CANCELED OR TERMINATED FOR ANY REASON EXCEPT AS EXPRESSLY PROVIDED HEREIN. Thereafter either party can terminate the lease by the provision of thirty days written notice to the other party provided that the party giving such notice is not in default of its obligations under this agreement. If the Lessor cancels the lease because of an act of default by the Lessee, the provisions of paragraphs 15, 16 and 17 will govern the termination of this agreement and the Lessor retains all rights set out therein.
- Warranties.** During the warranty period warranty service will be provided during the Lessor's normal working hours and consists of maintaining Equipment in good working order and making, without additional charges, all necessary repairs, adjustments and parts replacement on an exchange basis. The warranty applies only if the Island Originals frozen drink products are the sole products used in the equipment during the warranty period. The warranty does not apply if the Equipment malfunctions or is damaged and such malfunction or damage is caused by abuse, misuse or neglect of the Lessee, its employees or agents. Where it is determined by the Lessor's service department that the malfunction or damage is the fault of the Lessee, its employees or agents, the Lessee will pay the applicable rates for parts and labour as published by the Lessor at the time of service. Except where prohibited by applicable law, the foregoing are in lieu of any other representations, warranties or conditions, express or implied, statutory or otherwise but not limited to any implied warranty of merchantability or fitness for a particular purpose. This represents the sole obligation of the Lessor with respect to damages, whether direct, incidental or consequential, personal or otherwise, resulting from or in any way arising out of or connected with the use or performance of the Equipment including its use by any person.
- Interest/Returned Items.** You shall also pay interest on any such late payment from the due date thereof until the date paid at a rate not to exceed the maximum rate allowed by law. Returned Items. For each dishonoured or returned payment item, cheque or draft you shall pay to us the then applicable fee ("Returned Item Fee") being charged by us in connection with our handling of returned items.
- Default.** Failure to pay when due any amount required herein or under any other agreement between us, or if your failure to perform any other obligation hereunder or thereunder continues for ten days after we demand in writing performance thereof, we may, as liquidated damages and not as a penalty, accelerate and declare the entire amount of all Lease Payments and other amounts due and to become due for the full unexpired term of this Lease to be immediately due and payable, and take possession of any or all items of equipment, which possession shall not terminate your obligations under this Lease. You will be responsible for our legal expenses.
- Events of Default.** The following constitute "Events of Default" under this Agreement: (a) failure of the Lessee to pay any amount due under this Agreement; (b) subjection of the Equipment to any lien, levy, privilege, seizure or attachment; (c) the Lessee's breach of any term of the Agreement; (d) the Lessee having recourse or being subject to any federal or provincial statute respecting bankruptcy, insolvency or winding-up; or (e) the Equipment is, in the reasonable opinion of the Lessor, in danger of loss, damage or destruction, or is in fact lost, damaged or destroyed; (f) Failure of the Lessee to purchase the minimum yearly volume of Island Originals frozen drink products set out above; or (g) failure of the Lessee to provide proof of purchase of Island Originals frozen drink products when so requested by the Lessor.
- Rights on Default.** On the occurrence of any of the Events of Default, the Lessor shall be entitled to: (a) Recover amounts due under this Agreement and unpaid as of the date of the Event of Default; (b) have the option of immediately terminating this Agreement and the Lessee shall return the Equipment; (c) Take possession of the Equipment wherever it is located, without demand or notice and without a court order or other process of law; (d) Charge the lessee's credit card for the outstanding balance. The Lessee agrees that it will not make nor cause to be made any claim for nor will the Lessor be liable for any damages that are caused as a result of the Lessor taking possession of the Equipment and that the fact that the Lessor has taken possession shall not prejudice the Lessor's other rights under this Agreement or otherwise. On taking possession of the Equipment, the Lessor shall be entitled to sell, lease or otherwise dispose of the Equipment on such terms it considers reasonable; (d) Consider the Agreement repudiated and, after giving the Lessee written notice of such, to recover as liquidated damages an amount equal to: (i) total Net Present Value of all Net Lease Payments which would have become due between the Event of Default and the expiration of the initial term of this Agreement or any subsequent renewal term as if the Event of Default had not occurred. The Net Present Value of each Net Lease Payment means that amount that will produce the particular Net Lease Payment on its due date under this Agreement when it is made subject to an annualized interest rate of six per cent (6%) calculated monthly; plus (ii) The amount of any residual value the Lessor may have recorded on its books in respect of the Equipment; plus (iii) Any expenses incurred by the Lessor in disposing of the Equipment including costs incurred in the recovery of possession, repair, refurbishment, reconditioning, sale, leasing or any other disposition of the Equipment; plus (iv) All amounts previously due and unpaid up to the Event of Default; less (v) A sum equal to the wholesale value of the Equipment as established by the Lessor in accordance with its internally established accounting policies; plus (vi) Sales tax (if applicable) and goods and services tax on the resulting net amount; plus (vii) Any administrative expenses incurred by the Lessor. (e) If the Equipment is not repossessed due to its being lost or totally destroyed, the amount recoverable as liquidated damages shall be the sums determined under clause (d)(i), (ii), (iv), (vi) and (vii).
- Risk of Loss.** You shall, at your own expense, provide and maintain protection against loss, damage or destruction to the Equipment, for its full replacement value, naming us as loss payee. Such protection and coverage (and written evidence thereof delivered to us at our request) shall be satisfactory to us, and may be provided under your own insurance policy. If you fail to provide such evidence, we will have the right, but no obligation to include the Equipment under our own risk management program for the loss, damage or destruction to the Equipment, for its full replacement value and to charge you a fee. This fee will be reflected on our invoice or other notice to you, and will result in an increase in your Total Rental Payments. If we have so included the equipment as described above and have charged you such fee, and loss, damage or destruction to the Equipment, not resulting from your gross negligence or willful misconduct occurs, we will, at our option (provided you are not in default of the payment of any sums due and payable under this Lease, including any such fees invoiced by us), repair or replace, the Equipment and your Lease obligations will remain unchanged. The arrangements contemplated by this paragraph do not constitute insurance. Title to the Equipment, whether repaired or replaced, shall at all times remain with us. No loss or damage to the Equipment shall relieve you of any of your obligations under this Lease.
- Miscellaneous; Lessee Waivers; Consent to Jurisdiction.** This instrument constitutes the entire agreement between the parties as to the subject matter contained herein, and it shall not be amended, altered, or changed, except by a written agreement signed by the parties hereto and no provision of this Lease can be waived except by our written consent. You shall provide us with such documents as we shall reasonably request from time to time. If more than one Lessee is named in this Lease, liability shall be joint and several. If we so request, you shall execute such documents as we shall request or require. You authorize us to do all acts that we may reasonably deem necessary to protect our interests hereunder. This is a contract of lease only and nothing shall create a security interest or give you an equity or other property interest in the Equipment except as specifically provided herein.
- Equipment Return.** After completion of all payments and other obligations required under this Lease and upon termination of this Lease for any reason, you agree, at your own expense, to return all Equipment to us in the same condition as it was in when delivered to you, reasonable wear and tear excepted.
- Governing Law.** This Lease shall be interpreted and enforced in accordance with the laws of the province wherein said Equipment is to be located according to the terms hereof. Lessee and Lessor hereby acknowledge that they have required this lease and all related documents to be drawn up in the English language. Le Locateur et le Locataire reconnaissent avoir exigé que le présent crédit-bail et les documents qui s'y rattachent soient rédigés en anglais.

Customer acknowledges reading
above terms and conditions.