

TERMS AND CONDITIONS – Part IV

1. Payment: If Buyer has requested the 30 day open account payment plan in (Part II), Buyer hereby agrees to pay the total purchase price plus all applicable taxes being the Grand Total shown in Part I within 30 days from receipt of Seller's invoice. If Buyer has requested the Deferred Payment Plan (in Part II), Buyer hereby agrees to pay the down payment set out in Part III in full on the first day of the month following the month in which the Equipment is delivered and further agrees to pay the Total Deferred Payments set out in Part III hereof in equal consecutive monthly installments (except that the last payment shall be for the amount then due). Each monthly installment shall be due and payable on the first day of each and every month with the first such payment being due and payable on the first day of the month next following the month in which the Equipment is delivered.

2. Title and Security Interest: Title to the Equipment shall at all times remain in Seller and Seller shall have a security interest in the Equipment, any substitutions, replacements and additions and the proceeds thereof (the "Security Interest") until all amounts payable to the Seller under this contract have been paid in full. Buyer grants to the Seller the Security Interest as general and continuing security for the payment or performance of all obligations, indebtedness and liability of the Buyer to Seller, present or future, absolute or contingent, joint or several, direct or indirect. Buyer authorizes Seller to sign and file any financing statements required to protect the Security Interest.

3. Warranties and Limitation of Liability: The manufacturers of the Equipment issue their own warranties and perform the obligations under such warranties. THE SELLER MAKES NO WARRANTIES WHATSOEVER WITH RESPECT TO THE EQUIPMENT, EITHER EXPRESS OR IMPLIED INCLUDING ANY WARRANTY OR CONDITION OF FITNESS OR OF MERCHANTABILITY. THE LIABILITY OF THE SELLER SHALL BE LIMITED TO ITS EXPRESS OBLIGATION TO DELIVER THE EQUIPMENT IN GOOD CONDITION. SELLER SHALL NOT BE LIABLE FOR ANY SPECIAL, DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE OF THE BUYER, INCLUDING BUT NOT LIMITED TO ARISING FROM ANY USE OR FAILURE OF THE EQUIPMENT.

4. Taxes and Insurance: Buyer shall, at Buyer's own expense, pay all taxes, assessments and license fees of every kind on or relating to the Equipment and/or its sale or use. Buyer shall indemnify Seller for any and all damage to or loss of the Equipment, howsoever arising. The Buyer, at the Buyer's own expense, shall cause the Equipment to be insured against all risks, loss and damage due to any cause until all amounts payable under this contract have been paid in full and shall provide evidence of such insurance to Seller upon demand. The losses covered by such insurance shall in all cases be payable to Seller and Buyer as their interests may appear. If the Buyer fails to maintain insurance satisfactory to Seller as provided in sections 4 and 6 herein, the Seller may, but is not obligated to obtain such insurance and the Buyer agrees to pay to Seller on demand, the premiums for such insurance placed by the Seller. Buyer shall at all times keep the Equipment free and clear of all liens, charges and encumbrances.

Insurance:

At its sole cost and expense, Buyer shall procure and maintain insurance continuously throughout the term of this Agreement from such companies as are acceptable to Ford and listed in the current "Best's Insurance Guide" as possessing a minimum policy holders rating of "A-" (Excellent) and a financial category no lower than "VI" (\$25,000,000 to \$50,000,000 of adjusted policyholders surplus). The following insurance shall cover Buyer activities under this Agreement whether such activities be by itself or by any Subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

Liability Insurance

- Workers' Compensation insurance for statutory limits or Provincial Certificate of self-insurance where permitted under applicable provincial laws, and employer's liability insurance for not less than \$1 million per occurrence.
- Occurrence type commercial general liability insurance, including but not limited to blanket contractual coverage, for bodily injury including death, personal injury, and property damage with limits of not less than \$3 million combined single limit per occurrence.
- "All Risk" Property insurance for, personal property, at full replacement value with Buyer listed as a loss payee until equipment is paid in full.

With the exception of Workers' Compensation, each insurance policy listed above, and any excess or umbrella policy carried by Buyer with additional limits than those specified above, must name **Ford Motor Company of Canada**, Limited as an additional insured under the policy(s). All insurance policies of the Buyer shall be endorsed to state that the policy will be primary, and will not be excess to or contributory with, any self-insurance or insurance policies carried by Ford. The insurance policy shall provide that the policy may not be canceled or materially altered without 30 days' prior written notice to Ford. Buyer shall furnish to Ford an acceptable certificate of insurance evidencing the coverage required herein. The furnishing of acceptable evidence of required coverage should not relieve Buyer from any liability or obligation for which it is otherwise responsible to Ford.

Buyer shall require that its subcontractors procure and/or maintain insurance coverage at the limits described above. Buyer shall indemnify and be fully responsible for any cost to Ford resulting from said subcontractor's failure to procure and/or maintain said insurance.

5. Maintenance: Buyer shall use the Equipment properly, in compliance with all applicable laws, at Buyer's own expense, shall maintain and repair all items of the Equipment in order to keep them in good order and condition and, in particular, shall comply with the maintenance provisions of any program established by Seller or the manufacturer in connection with the Equipment. Buyer shall permit representatives of Seller to inspect each item of Equipment at reasonable intervals.

6. Third Party Liability: Buyer shall indemnify Seller against, and at Buyer's own expense provide insurance satisfactory to Seller covering, any and all actions, claims, demands, liabilities and expenses (including lawyer's fees on a solicitor and client basis) arising out of or connected with the use, condition (including without limitation defects whether or not discoverable by Buyer or Seller) or operation of any of the Equipment (the "Claims"), including without limitation, Claims for death or injuries to persons or damage to property. Buyer shall promptly notify Seller of any such claim.

Delays: Seller shall not be liable for any failure or delay in delivering any items of the Equipment or replacement therefor, or for any failure to perform any provision hereof, resulting from fire, flood or other casualty riot, strike or other labour difficulty, governmental legislation or other restriction, or any cause beyond Seller's control. In no event shall Seller be liable for any loss of profits or other damages or inconveniences resulting from any theft, damage or loss of, or defect in or failure of, any of the Equipment, and there shall be no abatement of monthly payments because of the same.

Default: If Buyer (a) shall default in the payment of any monthly installment or other sum payable to Seller hereunder (including the applicable freight costs) and such default shall continue for more than 10 days after Seller shall have demanded payment thereof, or (b) shall fail or refuse to perform any other provision hereof to be performed by Buyer, or (c) shall be insolvent or file an assignment or suffer to be filed against Buyer any petition under any bankruptcy or insolvency law or make any assignment for the benefit of creditors or suffer the appointment of any trustee or receiver for all or any part of Buyer's business or assets or make or suffer any assignment (voluntary or involuntary) of Buyer's interest in any of the Equipment or suffer any lien, attachment or levy to become attached thereto (unless such petition, assignment, appointment, lien, attachment or levy is withdrawn or nullified within 10 days), or (d) shall cease for any reason to be an authorized Ford, or Ford- Lincoln Dealer; then, in any such event, Seller may, at its option, terminate this contract and repossess any or all items of the Equipment with or without legal process and sell the same at private or public sale without prior notice to Buyer to the extent permitted by law. Repossession and sale of any Equipment upon such default shall not affect Seller's right to retain all moneys paid by Buyer, or to recover the balance due hereunder or any deficiency. Buyer shall reimburse Seller all costs of repossession and resale (including reasonable lawyer's fees on a solicitor and client basis). Buyer hereby relieves Seller from all liability for damages resulting from repossession hereunder. The rights and remedies of Seller, in the event of default, herein mentioned shall not be deemed exclusive but shall be cumulative and in addition to all other rights and remedies in Seller's favor existing by law.

7. Personal Property: The Equipment shall be kept at Buyer's premises listed on the reverse and shall remain personal property. Buyer shall not sell, encumber or otherwise dispose of the Equipment until all amounts payable to Seller hereunder are paid in full.

8. Notices: Any notice required or permitted by this contract shall be in writing and either delivered personally or delivered by registered Canadian Mail, postage prepaid, addressed to the intended recipient at its address first above given, and shall be deemed given when deposited in any letter box maintained for that purpose by the Canadian Post Office or when personally delivered.

9. Unconditional Obligation: Buyer's obligation to make payments to Seller or its assignee shall be absolute and unconditional and shall continue unmodified despite:

(a) any loss, damage or other interruption of the use of Equipment; or (b) any dispute, claim, counterclaim, defense or other right which Buyer may have to assert against Seller or the Equipment manufacturer. Seller may set off and recoup debits and credits, including Seller's legal fees and costs of enforcement, against any of Buyer's accounts without notice.

10. General: The waiver by either party of, or failure to claim, a breach of any provision of this contract shall not be deemed to be a waiver of any subsequent breach or to affect in any way the effectiveness of such provision. This contract constitutes the entire agreement between the parties and may not be changed except by an instrument in writing signed by the parties. This contract may not be assigned by Buyer without the Seller's prior written consent. Seller may assign this contract at any time. The contract is an Ontario agreement and shall be interpreted, construed and enforced in accordance with the laws of Ontario and federal laws applicable therein. Each of the parties irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario. In the event that one or more clauses of this contract are found to be unenforceable, illegal or contrary to public policy by a court of competent jurisdiction, such provision shall be severable and the remainder of this contract shall remain in full force and effect.

11. Waiver: Buyer acknowledges receiving a copy of this contract and waives all rights to receive from Seller a copy of any financing statement, financing change statement, or verification statement filed, issued or obtained at any time in respects of this contract and if Buyer is a corporation, it hereby waives, releases and relinquishes the rights and protections extended to it by the Law of Property Act of Alberta, the Limitation of Civil Rights Act of Saskatchewan, and the Sale of Goods Act of British Columbia or any amendment or substitution of such Statutes and agrees that none of these said Acts, nor any amendments or substitutions thereof, shall have any application to the rights, powers or remedies of Seller under this contract.

12. Acceptance & Inspection: Buyer shall be deemed to have accepted Equipment on delivery. Equipment shall be deemed to have been delivered in good condition unless Buyer gives Seller notice to the contrary within 10 days after delivery.

Signature: _____ Date: _____

03/06/09