

**STERLING CRANE BARE LEASE
AGREEMENT**

THIS AGREEMENT OF LEASE made at _____ in the Province of _____, on the _____ day of _____ 20 _____

BETWEEN: STERLING CRANE DIVISION OF PROCRAINE INC. (Name)
 _____ (Address)
 _____ (Email)
 (hereinafter called "the Lessor")

OF THE FIRST PART,

AND: _____ (Name)
 _____ (Address)
 _____ (Email)
 (hereinafter called "the Lessee")

ATTENTION: _____ **PHONE:** _____ **EMAIL:** _____

WITNESS that consideration of the mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. The Lessor hereby leases to the Lessee the equipment hereinafter described under the heading "Details of Equipment" (hereinafter called the "Equipment") commencing on the _____ day of _____, 20 _____ (hereinafter called the "Commencement Date") on the terms and conditions (including the General Conditions and the Special Conditions attached hereto) set forth in this Agreement for use by the Lessee at or near _____

The Lessee shall not move the Equipment from the above noted location without the prior written consent of the Lessor.

2. The Equipment shall be available for pick up by the Lessee at _____ in good condition and working order with all necessary tools peculiar to the Equipment and its operation but excluding any usual or standard tools and equipment, extra parts, extra wire rope, piping, hose, fuel, lubricants, supplies or crew. The Lessee shall not change the delivery or pick up date without acknowledgment from Lessor, and the Lessee shall be responsible for any incurred costs should Lessor not acknowledge.

DETAILS OF EQUIPMENT

Description	Lessor's Identification # or Manufacturer's Serial #	Replacement Value of New Equipment	Minimum Rental Period (Y)	Rental Rate Per Month (A)
ONE (1) FOUR (4) WOODEN PADS PO# _____	UNIT # SERIAL #			

Monthly Hours (X)	Mobilization / Demobilization Rates	Maintenance Mechanic / Technician Rate	Total Allotted Hours (X) * (Y)	Deposit (50%) (Article 3, if applicable)
200 Hrs	Transport To Site: \$ Transport From Site: \$	Straight Time TBD Overtime TBD Mechanic Truck (if required to travel to client site) TBD Parts TBD		

(A) In this agreement, a month shall be a 4-week, 28-day period.

1. THE RENTAL PERIOD

The Rental Period shall commence on the Commencement Date and shall include the date upon which the Equipment is picked up by the Lessee or the Lessee's agent (including any public carrier). Notwithstanding anything to the contrary contained herein, the Rental Period and the term of this Lease shall end upon the date of the actual delivery of the Equipment by the Lessee to the Lessor at such location as may be designated in writing by the Lessor. If for any reason, the Rental Period is for a term of more than one (1) year, the Lessee hereby irrevocably appoints the Lessor as its agent to execute appropriate security documentation, including, without limitation, a general security agreement, and register security evidencing the lease at the appropriate registry in the location of the Lessee and/or the Equipment.

2. CALCULATION OF RENTAL CHARGES

The Lessee shall pay Rental for the entire Rental Period on each article listed under Details of Equipment at the rate herein stipulated and on the following basis:

- (a) The Rental Rate expressed in the "Details of Equipment" is the rate (excluding GST, HST and PST) for a one month period, running from the Commencement Date up to but not including the same day in the fourth week following.
- (b) The Rental Rate stipulated under Details of Equipment shall apply only when the Equipment is operated for no more than the total allotted hours indicated under the Details of Equipment. In the event that the Equipment is operated in excess of total allotted hours, the Lessee agrees to pay for any such excess operation in accordance with the following formula:

$$\frac{\text{Hours of operation in excess of 200 hours per month}}{200 \text{ hours}} \times \text{Rental Rate} \times \frac{100}{100}$$

The Lessee further covenants and agrees to open for inspection by the Lessor, any and all payroll records and hour meters for the purpose of verifying the actual hours worked.

- (c) After expiration of the minimum rental period, the rental payment for any succeeding period shall be the Rental Rate per month indicated in the Details of Equipment. The allotted hours per month shall be 200 hours and should the Equipment be operated in excess of the 200 hours per month, the Lessee shall pay for any such excess in accordance with the rate indicated in 2(b),
- (d) Rentals shall not be subject to any set-off or deduction for any reason whatsoever and, without limiting the generality of the foregoing, by reason of non-working time howsoever caused during the Rental Period or any extension thereof, nor shall the Lessee be relieved from its responsibility to pay the Rental Rate for the entire Rental Period by reason of the fact that the Equipment is returned prior to the expiration of the minimum rental period. The minimum rental period as indicated in the detail of equipment is a guaranteed rental period, and the lessee shall pay the lessor the rental rate per month multiplied by the minimum rental period. This agreement is non-cancelable during the minimum rental duration.

- (e) Rental at the Rental Rate shall be paid by the Lessee to the Lessor until the Equipment is returned to the Lessor in good operating condition, reasonable wear and tear excepted. If repairs are found to be required by the Lessor, the Lessee shall continue to pay Rental at the Rental Rate until the Equipment is returned to good operating condition as determined by the Lessor.
- (f) The Lessee shall pay any and all federal and provincial taxes related in any way whatsoever to rent payable by the Lessee to the Lessor under this Lease.
- (g) The Lessor reserves the right to reject any request to extend the rental term at any time in its sole discretion.

3. DEPOSIT

The Lessee agrees to pay a one-time Equipment deposit ("Deposit") should the Commencement Date be sixty days or greater from the date of this Agreement. The Deposit amount shall be fifty percent (50%) of the rental rate for one month and will be credited to the Lessee against last month's rental charges. The Deposit will not be returned in the event the Lessee cancels this agreement, and the Lessee will be responsible for the remaining amounts outlined under this agreement.

4. PAYMENT

The Rental Rate due under this Lease shall be paid monthly in advance at the office of the Lessor. All overdue payments shall bear interest at the rate of 2% per month (26.8% per annum) without prejudice to the Lessor's right as hereinafter stipulated to terminate this Lease for non-payment of Rental.

5. LOADING, UNLOADING AND TRANSPORTATION

The Lessee shall, at his own risk and expense, load the Equipment for transit and shall be responsible for all loading, unloading, assembling, installing, dismantling and hauling, and shall pay any and all trucking or rail standby charges accruing wherever the same shall be incurred. The Lessee shall pay all transportation charges from and to the Lessor's shipping and receiving point.

6. RECALLING AND RETURNING NOTICE

The Lessor may recall any or all of the Equipment upon giving 30 (thirty) days written notice to the Lessee and, subject to the provisions of General Condition No. 2 as to the Lessee's obligation to pay rental for a minimum period, the Lessee may return any or all of the Equipment to the Lessor at any time. Notwithstanding anything contained in this Agreement to the contrary, the Lessor reserves the right to recall the Equipment at any time and without notice to the Lessee when in the Lessor's opinion the Equipment is endangered or imperiled by any reason or cause whatsoever. Any action taken by either the Lessor or the Lessee as set forth herein shall be without prejudice to any other rights or remedies that the Lessor or Lessee may have respectively.

7. MAINTENANCE, OPERATION AND REPAIRS

The Lessee shall not remove, alter, disfigure or cover up any numbering, lettering or insignia displayed upon the Equipment, and shall see that the Equipment is not subject to careless or needless rough usage, and shall, at the Lessee's own expense, maintain and ultimately return to the Lessor the Equipment and its appurtenances, together with any tools and accessories pertaining thereto, the whole in good repair and running order, reasonable wear and tear excepted.

Without limiting the generality of the foregoing, the Lessee shall, at the Lessee's own expense, during the Rental Period of this Lease pay the cost of:

- a) all fuel, lubricants and filters required to operate the Equipment and the cost of servicing the Equipment in accordance with specifications of both the manufacturer and the Lessor;
- b) all repairs, cleaning and servicing in accordance with the Service Schedules and Requirements included with this lease and required to be made to the Equipment in order to keep it in good repair and running order;
- c) replacing broken or worn out parts, reasonable wear and tear excepted; and
- d) any and all local, municipal, provincial and federal taxes, assessments and charges levied upon the Equipment for any reason whatsoever while in the possession of the Lessee.

The Lessee shall be solely responsible for any loss or damage to the Equipment, including, without limiting the generality of the foregoing, damage done by corrosion, rust, oxidation, and chemical reactions, the use of pile driving or vibratory hammer attachments of every nature and kind whatsoever. The use of pile driving and vibratory hammers (vibro hammers, vibrodriers, etc.) is strictly prohibited.

In the event that the Lessee does not return the Equipment to the Lessor in good repair and running order and clean or had not completed the required service in accordance with the terms of this Lease and the Service Schedules and Requirements attached hereto and forming an integral part of this lease, the Lessee shall immediately and unconditionally pay to the Lessor all costs and expenses of any kind incurred by the Lessor in returning the Equipment to good repair, clean, running order and up-to-date servicing. Without limiting the generality of the foregoing, the Lessee shall immediately and unconditionally pay to the Lessor all costs of labour and materials used or reasonably required by the Lessor to return the Equipment to good repair, clean, running order and up-to-date servicing, the fees, charges and disbursements of all appraisers and experts used as reasonably required in returning the Equipment to good repair, clean, running order and up-to-date servicing and also all solicitor and his own client costs and disbursements incurred by the Lessor in enforcing any of the obligations of the Lessee under this Lease or in any way relating hereto. The Lessee shall not, under any circumstances, permit any lien or charge to be filed against all or any portion of the Equipment. The Lessee shall give the Lessor prompt written notice of any accident or damage to all or any portion of the Equipment.

In the event that the Lessor performs repairs to the Equipment during the Rental Period while the Equipment is not located at the Lessor's place of business, the Lessee shall pay:

- (a) all direct and indirect costs of the Lessor in carrying out such repairs for items other than reasonable wear and tear; and
- (b) for those items of repair caused by reasonable wear and tear, all direct and indirect costs incurred by the Lessor for items and services arising because the repairs are carried out at a place other than the Lessor's place of business.

Any Modifications performed with respect to the Equipment for whatever reason shall be considered accessions to the Equipment and title thereto shall immediately vest in the Lessor. If requested by the Lessor, Lessee shall, at its own risk and expense, remove any Modifications.

8. SUPPLYING OPERATORS

Unless otherwise agreed in writing, the Lessee shall supply and pay all operators and other employees employed on the Equipment during the term of this Lease and shall only allow competent persons to operate the Equipment and, where local, provincial or federal legislation requires such operator to be the holder of a valid operator's license or valid proficiency certificate, to only allow the holder of such license or proficiency certificate, as the case may be, to operate the Equipment. The Lessee shall pay the operators of the Equipment such salary or wages on the Lessee's regular pay day and provide them with such travelling expenses, board and lodging as may be agreed upon between the Lessee and such employees. The Lessee shall provide and pay for all Workers' Compensation, assessments and/or pay all taxes required by the law or otherwise applying to such operators and workmen.

In the event that an operator or workman is supplied by the Lessor and receives salary or wages from the Lessor, such operator or workman will be under the direction and control of the Lessee and shall for all purposes in connection with the operation, handling, transportation or use of the equipment and the provisions of the conditions contained herein, be conclusively deemed to be an employee or agent of the Lessee. When an operator or workman is supplied by the Lessor, the Lessee shall sign Sterling Crane's Supply of Operator Form.

9. DAMAGE TO EQUIPMENT

The Lessee shall be liable for and does hereby agree to indemnify and save harmless the Lessor of and from any and all loss and damage to all or any portion of the Equipment howsoever caused. The appraisal of any such loss or damage shall be based upon the replacement value of new equipment as stated under the heading "Details of Equipment".

10. LIABILITY OF LESSEE

The Lessee shall be liable to the Lessor for and shall indemnify and save harmless the Lessor of and from any and all liabilities, losses, costs, damages, charges, legal fees and disbursements (including those legal fees on a solicitor and his own client basis with the right of full indemnity), fines, penalties, expenses, claims, causes of action, actions, suits, proceedings, fines and demands, all of whatever kind or nature, which the Lessor may suffer or incur or be liable for, directly or indirectly, howsoever caused and arising in any way whatsoever by virtue of the Equipment being leased hereunder to the Lessee including, without restricting the generality of the foregoing, by reason of:

- (i) the possession, operation, handling, transportation or use of the Equipment or any part thereof by or while in the hands or possession of the Lessee, its servants, agents, employees or carriers;
- (ii) the Equipment being in the possession of and/or being used by any person other than the Lessor during the Rental Period; or
- (iii) personal injuries, property damage (including environmental damage) during the Rental Period when the Equipment is not in the possession of the Lessor, and any consequential loss or damage arising therefrom.

The Lessor shall not be responsible in any way whatsoever, directly or indirectly, for or by reason of the Equipment not being fit for the purpose of the work that it may be required to perform or for the condition of all or any portion of the Equipment. The Lessee hereby remises and fully releases the Lessor of and from any and all claim which it may have against the Lessor for any direct or indirect loss or damage howsoever occasioned which the Lessee may suffer, either directly or indirectly, by reason of the condition of all or any portion of the Equipment, failure of all or any portion of the Equipment (whether mechanical or structural) or the suitability of all or any portion of the Equipment for the work that the Lessee requires the Equipment to perform. The Lessee shall not sue the Lessor for any such loss or damage which it may suffer. It is the intent of this Lease and agreed to by both parties hereto that all and every cost, expense, rate, tax or charge in any way related to the Equipment, except as otherwise expressly set forth herein to the contrary, will be the responsibility of and be paid for by the Lessee without any variation, set-off or deduction whatsoever.

11. INSPECTION AND REPAIR

Prior to picking up or taking possession of the Equipment the Lessee may, at its own expense, inspect the Equipment at a time and place designated by the Lessor. By taking possession of or picking up the Equipment the Lessee shall be deemed to have accepted that the Equipment is clean, in good condition and running order with the effect that from the time of picking up or taking possession of the Equipment the Lessee shall be forever stopped and prevented from claiming that as at the Commencement Date the Equipment was not in good condition and running order or fit for the Lessee's purposes. The Lessee's right to inspect the Equipment is accepted by the Lessee in lieu of any warranties, representations or guarantees and it is agreed that the Lessor makes no warranties, representations or guarantees whatsoever as to the Equipment, its condition, its performance or its fitness for the purpose intended. The Lessor shall have the right at any time or times to enter upon the premises where the Equipment is located and shall be given free access thereto and afforded all necessary facilities for the purposes of inspecting the Equipment.

The Lessor shall, at the Lessor's option, either have the right to inspect the Equipment at the Lessee's shipping point prior to reshipment and shall be given sufficient notice prior to reshipment to make such an inspection or shall have the right to perform the final inspection at its yard upon delivery of the Equipment by the Lessor.

The Lessor shall promptly notify the Lessee, in writing, of any repairs or maintenance required, normal wear and tear excepted, arising out of the Lessee's use of the Equipment. The Lessee shall either make suitable arrangements to promptly carry out the required maintenance or repairs or shall authorize the Lessor to carry out said work at Lessee's sole cost. Any repairs performed by Lessee shall only proceed upon written authorization from the Lessor and in such event, the Lessee shall promptly forward all repair documentation to the Lessor. The Lessee shall also promptly forward all structural certificates carried out by the Lessee to the Lessor at no cost to the Lessor.

12. TITLE

Title to the Equipment shall at all times be and remain vested in the Lessor and nothing contained in the Lease shall be deemed to have the effect of conferring upon the Lessee any right or title whatsoever in or to the Equipment, or any right to purchase the Equipment.

The Lessee shall give the Lessor immediate notice in the event that the Equipment or any part thereof is levied upon or becomes liable to seizure. This Agreement and all rights of Lessee hereunder and of any person claiming or who may hereafter claim under or through Lessee are hereby made subject and subordinate to any security agreements, chattel mortgages, conditional sale agreements, lease agreements, equipment trust agreements and other security instruments heretofore or hereafter created by Procrane Inc. or on behalf of Procrane Inc. with respect to any Equipment leased or to be leased hereunder and to the rights of any security interest holder thereunder. Any loan or sublease of Equipment made by Customer permitted under this Agreement shall contain language which expressly makes such loan or sublease subject to the subordination herein contained. At Procrane's election, any Equipment may be marked or lettered to indicate rights of Procrane Inc. or of a lessor to Procrane Inc. or of a trustee, mortgagee, pledgee, assignee or any other holder of a security interest in such Equipment.

13. TERMINATION OF LEASE

Should the Lessee fail to make any payment for more than 5 (five) days after it becomes due, or become bankrupt, or fails to maintain and operate or to return the Equipment as provided in this Lease, or violates any other provision hereof, or abuses the Equipment, the Lessor may, after giving the Lessee 3 (three) days' notice in writing terminate this Lease, recover possession of the Equipment without becoming liable in trespass, and shall be entitled to recover all rentals due and payable pursuant to this Lease and shall be entitled to damages for any injury to, and all expenses incurred in obtaining the return of the Equipment including costs on a solicitor and own client basis for any and all action taken in relation to the recovery of the Equipment or the rentals or any other monies payable hereunder.

14. INSURANCE

Without restricting the generality of Article 9 Liability of Lessee, the Lessee shall provide, maintain, and pay for the insurance coverage specified below during the term of the lease:

- (a) Commercial General Liability insurance with limits of not less than \$2,000,000.00 per occurrence. The insurance coverage shall be in a form satisfactory to the Lessor and shall cover personal injury, environmental damage, and property damage arising from the possession, operation, handling, transportation or use of the Equipment or any part thereby while in the possession of the Lessee, its servants, agents, employees, or carriers, and any other person during the rental period;
- (b) "All Risk" equipment coverage, including coverage for any overload or boom damage, insuring not less than the replacement value of new equipment as described under Details of Equipment.

The Lessor shall be shown as Additional Insured under the foregoing coverage and as First Loss Payable under the equipment insurance policy with respect to the rented equipment. The Lessee is responsible for all deductibles under the coverage listed herein.

The Lessee shall, upon request, provide the Lessor with a certificate of insurance evidencing the coverage described herein is in force and effect. The insurers shall be required to provide 30 days prior written notice of termination or cancellation of the said coverage. Certificates must specifically state that the equipment coverage policy includes boom damage and overload coverage. The acceptance by the Lessor of any certificate of insurance shall not limit any liability of Lessee under Article 8 Damage to Equipment or Article 9 Liability of Lessee.

Where the Equipment is being transported by the Lessee as a motor vehicle under its own power, the Lessee shall ensure that the equipment at all times prominently displays appropriate license plates registered in the name of the Lessee, unless otherwise agreed by the Lessor. If Lessee has registered the Equipment under their name, Lessee shall be responsible for all costs associated with Lessor re-registering the Equipment under Lessor's name. Where the Lessee caused the Equipment to be transported by any carrier, the Lessee shall ensure that such carrier maintains "All Risks" Cargo Insurance with adequate Limits of Liability.

15. SUBLETTING

None of the Equipment shall be sublet by the Lessee. The Lessee shall not assign or transfer its interest in this Lease or part with possession of all or any portion of the Equipment without the prior written consent of the Lessor which consent may be arbitrarily withheld.

16. NOTICE

Any notice required to be given hereunder by any party shall be in writing and shall be well and sufficiently given if delivered or sent by prepaid registered post or by email to any party hereto at the respective address as set forth on the first page of this Agreement. Any notice delivered as aforesaid shall be deemed to have been received on the date of delivery and any notice mailed shall be deemed to have been received on the fifth day after the date it is post marked.

17. SURVIVAL

The parties acknowledge that the provisions of this Lease which are by their context meant to survive the expiry or sooner termination hereof for the benefit of the Lessor shall survive such termination or early expiry, as the case may be, for the benefit of the Lessor and shall not be merged therein or therewith.

18. NO RELIANCE ON LOAD MEASURING DEVICE

If any crane has been fitted with a load measuring device, the Lessee hereby acknowledges and agrees that the Lessor has made no warranties or representations whatsoever with respect to the ability of the said load measuring device to accurately or consistently measure the weight of loads being lifted by such crane. The Lessee further acknowledges and agrees that it is the responsibility of the Lessee to independently determine the weight of every load to be lifted by any crane comprising all or a portion of the Equipment so as to ensure that any such load to be lifted does not exceed the rated load as determined by such crane's capacity chart and that the load measuring device shall be used as an operator-aid only. The Lessee will be liable for and shall indemnify and save harmless the Lessor of and from any and all liabilities, losses, costs, damages, charges, legal fees and disbursements (including those on a solicitor and his own client basis with right of full indemnity), fines, penalties, expenses, actions, suits, proceedings and demands, all of whatever kind or nature which the Lessor may suffer or incur or be liable for, either directly or indirectly, by reason of failure of any load measuring device to perform consistently or accurately, notwithstanding the negligence of the Lessor directly or indirectly related thereto. The Lessee hereby remises and releases the Lessor of and from any and all liabilities, losses, costs, damages, claims and demands which it may have against the Lessor, either directly or indirectly, arising by reason of the failure of any load measuring device to perform consistently or accurately, notwithstanding the negligence of the Lessor. Without restricting the generality of the foregoing, the Lessee covenants and agrees that he shall not sue the Lessor for any such losses, or costs, damages, claims or demands. As well, the Lessee acknowledges and agrees that if he relies in any way whatsoever on any such load measuring device that he does so completely at his own risk.

19. RECEIPT OF COPY OF LEASE

The Lessee acknowledges receiving an executed copy of this Lease.

SPECIAL CONDITIONS

The following Special Conditions form part of this Lease and in the event of there being a conflict between the provisions of the Special Conditions, and those of the General Conditions, the Special Conditions shall prevail.

IN WITNESS THEREOF the parties hereto have executed this Lease of Agreement on the day and date hereinabove first written.

By _____ Lessor
(PRINT NAME) (SIGNATURE) STERLING CRANE DIVISION OF PROCRANE INC.

By _____ Lessee
(PRINT NAME) (SIGNATURE)