

**TERMS & CONDITIONS**

1. Interpretation- In this agreement 'you', "your" and "customer" refer to the person renting the Product described above. Where there is more than one person named, the same terms refer to all persons named and all obligations of the persons named below under this agreement shall be joint and several. "Us", "we", "Enpure", and "our", refer to Enpure Home Comfort Ltd. and its authorized personnel, agents, contractors or assigns.
2. Location, Condition and Operation of the Product- We have not made any warranty or guarantee with respect to the Product, the supplier or the manufacturer, including whether the Product is suitable for you. We shall not be responsible if the Product is defective or unacceptable for any reason, including a failure in its performance, capacity or operations. To the extent permitted by law, any warranties or guarantees provided under Sales of Goods legislation are hereby excluded. You acknowledge that the Product was supplied directly to you by the supplier and that you have separately received information regarding warranties and service directly from the supplier. You agree to keep the Product at the above address and to allow us reasonable access and the right to inspect the Product. You agree to keep the Product free and clear of all liens and encumbrances of every kind and to keep the Product in as good a condition as when delivered, reasonable wear and tear accepted. You shall not make any alterations to the Product without our prior written consent. The product may only be serviced, modified or moved by our authorized representative. Any additions, upgrades, accessories, alterations or replacements to or for the Product will become our property and subject to the terms of this Agreement. You will operate the Product at your own risk. You agree to indemnify and save us harmless from any claims and damages suffered by us, however caused, arising out of the use of the Product. This indemnification will survive termination of this Agreement.
3. Legal Compliance and Taxes- You will comply with all laws relating to this Agreement or to the Product including, without limitation, laws relating to use, operation or maintenance of the Product. You shall pay when due all taxes and other charges of any kind whatever now or in the future imposed by any government or public authority or agency ("Taxes") related to the operation or maintenance of the Product.
4. Registration Against Security- You hereby grant to us an exclusive security interest in the Product as collateral security for the amounts owing by you to us under this Agreement. The attachment of security interest has not been postponed. You grant us the right to register the security interest under this Agreement against you and title to the lands where the Product is to be located. Unless prohibited by law, you waive your right to receive a copy of such registration where required and you appoint us as your lawful attorney for so doing.
5. Personal Property- You agree that the Product shall remain portable or movable property (without the need for any other party's consent or waiver to allow us to remove it) even though it may become attached to real or immovable property.
6. Payments- You must make all payments (the "Payments") required to be made under this Agreement to us in the manner described on the first page of this Agreement starting on the Commencement Date (the "Commencement Date"). The Commencement Date is the date that the Product has been delivered and installed. You authorize us to insert the Commencement Date into this Agreement after it has been confirmed by you. Your obligation to pay when due all amounts under this Agreement shall be absolute and unconditional without any condition, deduction, set-off, abatement, hold back or claim for compensation whatsoever.
7. Adjustments to Payments-The Payment will increase by 3.5% annually on February 1st of each year.
8. Payment Authorization-If you select Pre Authorized Payment ("PAP"), the following terms will apply to your PAP: (a) you hereby authorize us to debit the bank account identified on the cheque you delivered to us for all Payments required to be made under this Agreement; (b) you acknowledge that this PAP is personal; (c) the account will be debited on the day of each month as indicated on page 1; (d) this authority shall remain in effect until you give us written notice to cancel it which notice shall be received 30 days before the next scheduled debit at our address on page 1; (e) you have certain recourse rights if any debit does not comply with this paragraph. For example, you have the right to receive reimbursement for any debit that is not authorized or is not consistent with these terms; (f) you can obtain more information about your right to cancel (including a sample cancellation form) and about your recourse rights, from your financial institution or at [www.cdnpay.com](http://www.cdnpay.com); (g) you hereby waive your right to receive pre- notification of the amount of the PAP and agree that you do not require advance notice of the amount of PAPs before the debit is processed. If you select the Enbridge Billing Service Option, Enpure's charges will appear in the Other Companies section of your Enbridge Gas Distribution bill. These offers and claims are made by Enpure alone. Enpure is not owned by or affiliated with Enbridge Inc. or Enbridge Gas Distribution. You agree to switch to PAP should we discontinue the Enbridge Billing Service Option.
9. Term and Purchase- The term of the rental ends if the Agreement is terminated by you or us in accordance with its terms (includes you exercising your purchase option in accordance with the terms of the Agreement) or if the useful life of the Water Heater has ended. The useful life of the Product ends when Enpure or its authorized service provider determines, having regard to the relevant factors, including without limitation, the age of the Product and the cost of any repairs to be made, that it is no longer commercially reasonable to repair the Product. You may elect to purchase the items listed under the Product Description (the "Product") at any time on an "as is" where

is basis. To receive your competitive purchase price, please call the toll free customer service number. When you exercise your purchase option, you accept the Product in an "as-is" condition, subject to any transferable manufacturer's warranty, and you assume full responsibility for the Product and its repair and maintenance. You also agree to pay the purchase price when invoiced by Enpure. Once purchase payment has been received, and no other amounts are outstanding pursuant to the Agreement, the Agreement will end.

10. Default Charges- Interest at the rate of .0821918% per day, compounded monthly, (34.489% effective annual rate) shall be payable on all unpaid Payments, from their due date until paid. You further agree to pay to us a returned item charge in an amount equal to the greater of \$35.00 or the actual bank charges incurred by us plus any other amounts allowed by law.

11. Events of Default- Default shall occur upon any of the following events: (a) if you fail to make any Payment, or fail to pay any other amount under this Agreement on its due date; (b) if you remove or attempt to remove the Product from the premises herein described without our consent in writing; (c) if you encumber or transfer ownership or sublet the Product without our consent; (d) if you fail to observe any conditions of this Agreement; (e) if you become subject to a bankruptcy, insolvency, receivership or similar proceeding under the Bankruptcy and Insolvency Act, either voluntarily or involuntarily, or if an encumbrancer takes possession of the Product or a substantial part of your property; (f) if you allow any damage other than that caused by normal wear and tear resulting from proper use of the Product; (g) if you are in default under any other contract, agreement, or obligation, now existing or hereafter entered into with us or any assignee of ours; (h) if any representation or warranty made by you in connection with the entering into of this Agreement is untrue or incorrect; or (i) if you transfer title to the premises herein described without first purchasing the Product, unless we have agreed in writing to the assumption of your obligations under this Agreement by the party acquiring title to the premises.

12. Remedies Upon Default- In the event of Default, we may terminate this Agreement and, in addition to any other right it may have at law or otherwise, may, without notice, do any or all of the following, separately or together, in any order or combination: (a) we may enter wherever the Product is located (or we believe that it is located) and repossess and remove it (if necessary, disconnecting it from any other property) and you waive claims for any damages to property or otherwise arising from such repossession; (b) without terminating or being deemed to have terminated this Agreement, we, upon five (5) days prior written notice to you, may sell or release the Product in such manner and for amounts and upon such terms as we may reasonably determine and may apply the net proceeds against what you owe to us; and/or (c) we may require you to pay immediately on demand damages suffered by us as a result of the termination of this Agreement. These damages will be, as a genuine pre-estimate of liquidated damages for loss of a bargain and not as a penalty, equal to the aggregate of (i) any outstanding Payments owing as at the date of Default (ii) the remaining Payments due under this Agreement for the balance of the Term following the date of the Default, and (iii) all costs incurred by us, our assignees or agents in enforcing the terms of this Agreement. We agree to remit to you any monies collected by us from you or through our re-marketing efforts, collectively in excess of the aggregate amount of above liquidated damages, provided that the remittance shall not exceed the amount paid by you under this Section.

13. Damage to Premises- Should the Product be removed by us from the premises herein described due to your Default, we shall not in any way be liable in respect of any damages to your premises resulting from such removal.

14. Insurance- You will, at your own expense, maintain, in a form acceptable to us, insurance covering the Product. We shall be named as loss payee and the policy shall contain a clause requiring the insurer to give us prior notice of a revision to its provisions or of its cancellation. The total or partial loss of the Product shall not relieve you of your obligations and liabilities under this Agreement.

15. Product Risks- If the Product is lost or damaged beyond repair or is stolen or for any other reason is not available or suitable for return at any time during the term of this Agreement, you will notify us of that event and, unless we are agreeable to another arrangement, will immediately on demand pay to us the Casualty Value less the amount of any insurance proceeds paid to us as a result of the event. The Casualty Value shall be equal to the total present value of all unpaid and future Payments of the Agreement. The present value will be calculated by discounting at the rate per annum equal to the leaser of (a) a remaining term Government of Canada bond less 3%; or (b) 3%. Upon payment of the Casualty Value, you shall acquire, without recourse, all of our right, title and interest, if any, in such Product.

16. Assignment- We may assign, at our sole discretion at any time, without the consent of or notice to you, our right, title and interest in this agreement, Product described herein and in the pre-authorized payment authorization granted by you; for purposes of this section, "we" shall include any assignee ("Assignee"). You hereby consent to the delivery by us to any prospective Assignee of such information concerning you as may be in our possession. You may not assign this Agreement without our prior written consent.

17. General Terms and Conditions- You agree that (a) you will provide all necessary further assurances, do all acts and sign all documents as we may require from time to time to give effect to this Agreement and to protect our rights hereunder; (b) a provision of this Agreement which is void or unenforceable in any jurisdiction is, as to that jurisdiction, void only to the extent of such provision and without invalidating the remaining provisions; (c) the captions, titles and section numbers appearing in this Agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of this Agreement or its effect; (d) this Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and laws of Canada applicable therein; (e) time is of the essence of this Agreement; (f) this is the entire agreement between you and us and may be varied only by written documentation signed by both parties; (g) all of our rights are cumulative and not alternative and may be exercised by us separately or together in any order or combination; (h) ownership of and title to the Product will at all times (except upon a sale hereunder) remain with us; (i) you have no interest in the Product, other than the right to possess, insure and use the Product for the Term; (j) information requests by any person(s) other than you shall be verified and subject to administration charges as set from time to time by us; and (k) we will retain a copy of this Agreement in electronic form only. You agree that a facsimile and/or imaged copy is enforceable in a court of law.

18. Consent to Disclosure and Sharing of Personal Information and Credit Investigation- You authorize us and our assigns to use and disclose your personal information provided above to confirm your identity, to evaluate your creditworthiness, to administer this Agreement, to perform internal statistical analysis, to assign or securitize any amounts payable by you under this Agreement or as otherwise required or permitted by law. You hereby authorize us to conduct financial and credit investigations for purposes of approval, maintenance and enforcement of this Agreement or any judgment obtained by us as a result of any default hereunder and to obtain any information required from any source and each source is hereby authorized to provide such information to us. This includes but is not limited to us obtaining information from any credit or depository facility. We may obtain such information at any time before or during the Term or after termination of the Agreement in the event any monies remain owing to us. This clause shall survive the Term or Termination of this Agreement. All matters surrounding our collection, use and disclosure of your personal information are fully explained in our Privacy Policy, a copy of which is available on our web-site at [www.enpure.ca](http://www.enpure.ca) or request to us in writing to our address: 10-50 Don Park Rd, Markham ON L3R 1J3.