

EQUIPMENT LEASE (Ontario)

THIS AGREEMENT made effective as of the ____ day of _____, _____.

BETWEEN:

[NAME OF LESSOR]

[address]
(the "Lessor")

- and -

[NAME OF LESSEE]

[address]
(the "Lessee")

OF THE SECOND PART

WHEREAS:

- A. Lessor is the owner of certain equipment, goods and chattels described in Schedule "A" attached hereto, and any successories, additions or accretions thereto as hereinafter provided for ("Equipment").
- B. Lessee is in the business of *[describe the nature of Lessee's business]* and wishes to lease the Equipment for use in Lessee's business location at *[address of Lessee]* ("Location").

THEREFORE, in consideration of the mutual promises herein set out, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. **Lease of Equipment:** Lessor hereby agrees to lease the Equipment to Lessee upon the terms and conditions set out below.
2. **Term and Renewal Rights:** Subject to any rights of early termination set out below, the term of this Lease shall commence on the date this Lease is executed by the last of Lessor and Lessee, and shall expire on [expiry date]; provided that Lessee shall have ____ options to extend the term of this Lease for [an] additional term(s) of ____ years each, with all terms and conditions to remain the same except for Rent and renewal rights. Rent on any such extension shall be calculated based upon the value of the Equipment at the time of renewal and then current interest rates. If the parties are unable to agree on Rent upon renewal, the issue may be resolved by binding arbitration under the *Arbitrations Act* of Ontario.
3. **Rent:** Lessee shall pay Lessor rent for the Equipment at the rates set out in Schedule "B", plus applicable sales or use taxes ("Rent"). Rent shall be prorated on a daily basis for partial or broken months. Rent shall be payable monthly in advance on the 1st day of each and every month. Lessor shall provide Lessee with post-dated cheques on an annual basis in twelve month series to cover all Rent payments.
4. **Deposit:** Immediately upon execution of this Lease, and in any event prior to shipment or delivery of the Equipment, Lessor shall provide Lessee with deposits as follows ("Deposits"):
 - (a) First and last month's Rent, plus applicable sales or use taxes, calculated in accordance with Schedule "B"; plus
 - (b) \$ _____ as a security deposit.