



## TERMS & CONDITIONS

Caliber Energy Systems Partnership (Lessor) hereby leases to the party(s) named on the Rental Agreement (Lessee) or its agents, tools, drill pipe or other equipment described in the Rental Agreement upon the Terms & Conditions here forth and as described in the Rental Agreement.

### Term 1.

- The rental period shall commence the day that equipment leaves the Lessee's yard and shall continue until the equipment is returned to the possession of the Lessee.
- All equipment outlined in the Rental Agreement shall be returned to the Lessor upon completion, and the Rental Agreement will be considered finalized upon inspection of the prescribed equipment on the Rental Agreement by the Lessor.
- Well, or other conditions which prevent the satisfactory operation of the equipment listed on the Rental Agreement do not shall not relieve the Lessee of the obligation to pay all rentals required hereunder.

### Term 2

- All equipment on the Rental Agreement shall remain in the custody and control of the Lessor. The Lessor shall not make any alteration to the equipment and shall maintain the equipment at it's own expense in good working order.

### Term 3

- It is expressly agreed that the Terms & Conditions set forth in the Rental Agreement shall take precedence over the Terms & Conditions set forth in any other document signed between the Lessee and the Lessor.

### Term 4

- Terms of payment are net cash within thirty days of the receipt of invoice. Interest on past due accounts will be charged at the maximum allowable rate set forth by law.

### Term 5

- The Lessee makes no representation of warranty, and all equipment is used at the Lessee's risk
- The Lessee assumes all responsibility for equipment while out of the possession of the Lessor.
- The Lessor hereby indemnifies the Lessee, and saves Caliber Energy Systems Partnership or it's agents harmless from and against all loss, expenses or damages of any kind, including consequential damages or economic loss which Caliber Energy Systems Partnership may suffer, incur or be liable for or which are caused by, result, or are in any way connected with the installation, use, maintenance, supply, or possession of the services, materials or equipment provided by Caliber Energy Systems Partnership or it's agents while the said equipment is in the possession of the Lessor.

### Term 6

- All equipment is to be considered in good condition upon commencement of the Rental Agreement. Equipment will be returned to the Lessor in such condition as it was at the commencement of the Rental Agreement. Normal wear and tear, from normal/ reasonable use thereof is expected.
- All equipment lost, or damaged beyond repair will be paid for by the Lessee at the new replacement cost including any additional expenses incurred by the Lessee to replace said equipment.
- All damaged equipment will be repaired by the Lessee. Costs associated with the repairs including costs associated with Third Party charges, will be charged to the Lessor at Cost + 25%, unless prescribed in writing to the Lessor by the Lessee.
- Caliber Energy Systems strives to provide quality products to their customers. All equipment on the Rental Agreement is subject to third party inspections and/or re-certifications upon completion of the Rental Agreement. Cost associated with these inspections will be charged to the Lessee at cost +15% or at the discretion of Caliber Energy Systems Partnership or it's agents.

### Term 7

- The Lessor may, without notice to the Lessor, take possession of equipment outlined in the Rental Agreement due to misuse, damage or other considerations arising from the opinions of the Lessor.
- Unless advised to the Lessor in writing, the Lessee shall maintain insurances to cover damages or losses to the equipment within the terms of the Rental Agreement.

### Term 8

- The said Rental Agreement and these Terms & Conditions constitute the whole of the agreement between the Lessor and the Lessee, and no variation or alteration to these Terms & Conditions shall be accepted unless agreed to by both parties in writing.