

TERMS & CONDITIONS

- 1) **Interpretation** - This agreement is a lease. In this agreement “you”, “our”, 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. “EcoHome”, “us”, “we” and “our”, refer to EcoHome Financial Services Inc. and its authorized personnel, agents, contractors and assigns. Notwithstanding any representation by anyone to the contrary, Representative is not an agent or representative of EcoHome.
- 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 sale 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 condition as when delivered, reasonable wear and tear accepted. You shall not make any alterations to the Product without our prior written consent. Any additions, upgrades, accessories, alterations or replacement 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 obligation 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 for the Term.
- 4) **Security Registration** - You hereby grant us an exclusive security interest in the Product as security for payment of 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 at your expense the security interest under this Agreement against you and against 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 registration and receipt of notice.
- 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 payment (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 closing date for your agreement to purchase the home in which the Product is installed. Your obligation to pay when due all amounts under this Agreement shall be absolute and unconditional without any deduction, set-off, abatement, hold back or claim for compensation whatsoever. The monthly rental, {total lease value / capitalized amount }, (total lease costs) and [implicit finance charges], subject to dealer discounts, are based on the maximum annual percentage rate (APR) of 9.99%, and shall not exceed the maximum amounts of: \$14.99, {\$1,294.56} (\$2,110.24)[\$815.68]; \$ 29.99, (\$2,589.98) (\$4,221.89) [\$1,631.91]; \$39.99, {\$3,453.60} (\$5,629.66) [\$2,176.06]; \$49.99, {\$4,317.21} (\$7,037.43) [\$2,720.22]; \$59.99, {\$5,180.83} (\$8,445.20) [\$3,264.37]; \$69.99, {\$6,044.44} (\$9,852.96) [\$3,808.52]; Incremental costs: For every \$1.00 change in the monthly rental add {\$86.36} {\$140.78} {\$54.42} accordingly.
- 7) **Adjustments to Payments** - The Payments will increase by 3.5% annually on each anniversary of your Commencement Date.
- 8) **Payment Authorization** - If you select Pre Authorized Debit (PAD), the following terms will apply to your PAD: (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 PAD is personal; (c) the account will be debited on the day of each month you indicated on page 1; (d) this authority shall remain in effect until 30 days after you give us written notice to cancel it at our office identified 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 the terms of this PAD Agreement (To obtain more information on your recourse rights, contact your financial institution or visit www.cdnpay.ca.); (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.ca; **(g) you hereby waive your right to receive pre-notification of the amount of the PAD and agree that you do not require notice of the amount of PAD’s before a debit is processed.**
- 9) **Enbridge Billing** - If you select the Enbridge Billing Service Option, EcoHome’s charges will appear in the “Other Companies” - section of your Enbridge Gas Distribution bill. These offers and claims are made by EcoHome alone. EcoHome 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
- 10) **Option to Purchase** - You may elect to purchase the Product at any time during the term on an as is, where is basis. To receive your competitive purchase price, please call the toll free customer service number. Provided you are not in default (as defined herein) under this agreement you shall have the following option on the last day of the Term: (a) continue to rent the Product on a month to month basis at the then current Payment amount until the end of the useful life of the Product; (b) return the product to us; or (c) purchase the Product for its estimated fair market value at such time (plus applicable taxes). You must notify us of your intention at least thirty (30) days prior to the expiry of the Term.
- 11) **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 us a returned-item charge in an amount equal to the greater of \$50.00 and the actual bank charges incurred by us plus any other amounts allowed by law.
- 12) **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 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.
- 13) **Remedies Upon Default** - In the event of Default, we may terminate this Agreement and, in addition to any other right we 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) 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 termination or being deemed to have terminated this Agreement upon five (5) days prior written notice to you, sell, rent or lease 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 (c) 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 liquidated damages described above, provided that the remittance shall not exceed the amount paid by you under this Section.
- 14) **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 or from any work done in connection with such removal.
- 15) **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 or its use or possession shall not relieve you of your obligations and liabilities under this Agreement.
- 16) **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 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 under this Agreement. The present value will be calculated by discounting at the rate per annum equal to the lesser of (a) a remaining term Government of Canada bond rate less 3%; or (b) 3%. Upon payment of the Casualty Value, you shall acquire, without recourse or warranty, all of our right, title and interest, if any, in and to such Product.
- 17) **Maintenance of Product** - The Customer shall be responsible for the normal care and maintenance of the Product in accordance with manufacturer’s specifications. Failures to provide maintenance may void the warranty and the Customer will be responsible for any costs associated with repairs that result from the lack of maintenance. We may request evidence that the Customer has carried out maintenance on the Product.
- 18) **Assignment** - We may assign, at our sole discretion at any time and without the consent of or notice to you, as and by way of security or absolutely, all or any portion of our right, title and interest in this Agreement, the Product described herein and in the pre-authorized or other payment authorization granted by you, including as security for loan or other financing arrangement, provided that we may not assign or transfer any pre-authorized authorization granted by you in this agreement, directly or indirectly, by operation of law or otherwise, without providing at least ten (10) days prior written notice to you. You may not Assign this Agreement without our prior written consent.
- 19) **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 provisions, without invalidating the remaining provisions or the invalid provision with respect to any other jurisdiction; (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 document, including the cover page which indicates the specific equipment to be leased, constitutes the entire Agreement between you and us with respect to its subject matter 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 to you 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; (k) we will retain a copy of this Agreement in electronic form only; and (l) represent that the email address written by you on the cover page of this Agreement is your true email address and agree that the sending of a pdf copy of this Agreement shall constitute delivery under the Consumer Protection Act (Ontario). You agree that a facsimile and/or imaged copy is enforceable in a court of law.
- 20) **Consent to Disclosure and Sharing of Personal Information and Credit Investigation** - You authorize us and our assigns to use and disclose your personal information 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 the collection, use and disclosure of your personal information are fully explained in our Privacy Policy, a copy of which is available on our website at www.ecohomefinancial.com, or upon making a request to us in writing to our address: 325 Milner Avenue, Toronto, Ontario M1B 5N1. Tel: 1-866-382-7468 Fax: 1-855-233-8236

Your Rights under the Consumer Protection Act, 2002

You may cancel this Agreement at any time during the period that ends ten (10) days after the day you receive a written copy of the Agreement. You do not need to give the supplier a reason for cancelling during this 10-day period.

If the supplier does not make delivery within 30 days after the delivery date specified in this Agreement or if the supplier does not begin performance of his, her or its obligations within 30 days after the commencement date specified in this Agreement, you may cancel this Agreement at any time before delivery or commencement of performance. You lose the right to cancel if, after the 30-day period has expired, you agree to accept delivery or authorize commencement of performance. If the delivery date or commencement date is not specified in this Agreement and the supplier does not deliver or commence performance within 30 days after the date this Agreement is entered into, you may cancel this Agreement at any time before delivery or commencement of performance. You lose the right to cancel if, after the 30-day period has expired, you agree to accept delivery or authorize commencement of performance. In addition, there are other grounds that allow you to cancel this Agreement. You may also have other rights, duties and remedies at law.

For more information, you may contact the Ministry of Consumer and Business Services. To cancel this Agreement, you must give notice of cancellation to the supplier, at the address set out in the Agreement, by any means that allows you to prove the date on which you gave notice. If no address is set out in the Agreement, use any address of the supplier that is on record with the Government of Ontario or the Government of Canada or is known by you.

If you cancel this Agreement, the supplier has fifteen (15) days to refund any payment you have made and return to you all goods delivered under a trade-in arrangement (or refund an amount equal to the trade-in allowance). However, if you cancel this Agreement after having solicited the goods or services from the supplier and having requested that delivery be made or performance be commenced within ten (10) days after the date this Agreement is entered into, the supplier is entitled to reasonable compensation for the goods and services that you received before the earlier of the 11th day after the date this Agreement was entered into and the date on which you gave notice of cancellation to the supplier, except goods that can be repossessed by or returned to the supplier.

If the supplier requests in writing repossession of any goods that came into your possession under the Agreement, you must return the goods to the supplier's address or allow one of the following persons to repossess the goods at your address:

- a) The supplier.
- b) A person designated in writing by the supplier.

If you cancel this Agreement, you must take reasonable care of any goods that came into your possession under the Agreement until one of the following happens:

- a) The supplier repossesses the goods.
- b) The supplier has been given a reasonable opportunity to repossess the goods and twenty-one (21) days have passed since the Agreement was cancelled.
- c) You return the goods.
- d) The supplier directs you in writing to destroy the goods and you do so in accordance with the supplier's instructions.

For more information contact:

EcoHome Financial Services Inc.
Customer Service: 1-866-382-7468
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