

Oakville Hydro Energy Services Inc.
Rental Water Heater TERMS and CONDITIONS

These Terms and Conditions form part of, and are supplemental to the Rental Water Heater Agreement between the Customer and Oakville Hydro Energy Services Inc. (OHESI) attached hereto. Any terms used but not defined herein are as defined in the Rental Water Heater Agreement.

OHESI's Commitment

- No Charge for installation, service, repair, maintenance or exchange of the water heater except where:
 - additional wiring, piping, venting or plumbing is required to meet Codes or OHESI's installation standards;
 - if the Customer (or a third party not authorized by OHESI) damages the water heater, or repairs are required due to use for which the water heater was not intended;
 - if the water heater requires flushing, de-liming, or repair due to water conditions in the premises where the water is installed (hard water conditions are as determined by OHESI);
 - where venting or piping needs cleaning, repair or replacement.
- Quality, efficient water heaters.
- 24-hour, 7 days per week reliable customer service (phone numbers provided above).
- A Rental Agreement that is transferable to a new homeowner upon sale of the home.

Customer's Commitment

We will honour our commitment for the duration of this Agreement. In turn you agree:

- To pay your rental charges when due, together with interest on any late payments at reasonable interest rates we may set (calculated daily based on an annual rate of 18%). You will pay a \$19 charge for any payment that is returned to us "unpaid" or "unable to process". Your bill will be sent to you on a quarterly basis, except in the cases it is sent to you as part of your electricity distribution invoice and shall be payable in accordance with the deadlines for payment and subject to such interest as may be indicated in such Distributor's Invoice.
- You will use the water heater responsibly, safely and pursuant to the terms of all applicable laws, including without limitation:
 - ensuring that no combustible, hazardous or flammable materials are kept near the water heater;
 - ensuring the water heater is located in a area with sufficient drainage in the vicinity and the drainage is open and unrestricted, and we will therefore not be responsible for damage caused if the water heater leaks;
 - the water heater's vents and openings are kept clean and clear of all debris;
 - the water heater is kept free of debris and in an open area for easy access to repair or remove, You will not permit anyone who has not been authorized by us to service, repair or remove the water heater.
- You will be responsible for any damage to the water heater if caused by you or unauthorized third parties.
- During the term of the Agreement, the water heater remains our property, and is not a fixture. You will not tamper with or remove any labels or stickers found on the water heater. You agree to keep the Water Heater free of all liens, security interests and other claims.
- You will allow our authorized agents or employees to have access at all reasonable hours for the purposes of installing, servicing or removing the water heater.
- If you sell your home, you agree to inform the purchaser that the water heater is rented pursuant to this agreement. We will allow the purchaser to assume your rights and obligations under this agreement, effective from the date of sale, provided that: (a) the purchaser is notified in the agreement of purchase and sale that the water heater is rented; (b) you have notified us in advance of the purchaser's name and the intended date of sale; (c) the purchaser agrees in writing or by conduct to rent the water heater on our then current terms and conditions and (d) you have paid us all amounts owing under this agreement. You authorize us to respond to any information requested relating to your account made by or on behalf of the purchaser. You agree to supply us with your new mailing address for final billing.
- You agree that OHESI may sell, assign or otherwise dispose of, or grant a security interest in, all or part of its right, title and interest in the Water Heater and or this Agreement to any third party, without notice to you and without obtaining your consent. This Agreement is binding upon and will enure to the parties' respective heirs, personal representatives, successors or permitted assigns.
- You agree that we may amend this Agreement and Terms, from time to time, without limitation any amendment in rental fees, by providing you with written notice of the amendment and the amendment will be effective on the date set out in said notice.

Termination of this Rental Agreement

- If you fail to meet any term of this agreement, we may terminate this Agreement immediately. Upon termination of this agreement, we shall be permitted to remove the Water Heater from your home and such Water Heater shall be in the same condition it was installed, except for any ordinary wear and tear.
- You may, as long as you are not in default under this agreement, terminate this agreement at any time provided you notify us in writing, or by calling our Service Department at (905) 825-4458 or toll free outside of Oakville 1-866-719-9400.
- If either you or we terminate this agreement, you agree to allow us access to the premises to remove the water heater. The removal/disconnect charge is \$150 for a natural gas water heater or \$100 for an electric water heater. You will pay such charges when billed by us.
- You or a third party is not allowed to remove/disconnect this water heater. If you do so, you do so at your own risk and you agree that you will accept responsibility for all damages or claims resulting from the disconnection, and removal of the water heater. The above removal/disconnect charge will still apply and you will pay such charges when billed by us.
- Your obligations under this agreement, including rental charges, ends upon the date of removal. You agree to pay the removal/disconnect charge and any outstanding charges when billed by us.

Limited Warranty and Liability

- We are not the manufacturer of the water heater and do not guarantee that the operation of the water heater shall be uninterrupted or error-free. Except for our obligation to repair and/or replace the water heater as provided for in this agreement, you will not hold us or anyone else liable for any present or future damages, costs, injury of any type, claims, demands or causes of action relating in any way to this agreement, the services, water heater, or use or operation thereof, notwithstanding any defects(s) in the water heater or negligence. If we are unable to perform any of our obligations under this agreement because of circumstances or events beyond our reasonable control, then we shall be excused from the performance of such obligations for the duration of such circumstances or events, and shall not be liable to you for such failure to perform.
- You will indemnify us for and against all losses, claims, costs, expenses, damages, actions and liabilities whatsoever (including all legal expenses and collection agency expenses) in connection with or arising as a result of: (a) any breach by you of any terms of this Agreement; (b) any loss or damage (including personal injury or death) to any person or property in any way from the use or operation of the Water Heater, notwithstanding any defect(s) in the Water Heater or negligence; or (c) any loss or damage to or alteration or destruction of the Water Heater from any causes other than directly from ordinary wear and tear.

Consent to Use of Information

You hereby consent to the collection, use, disclosure and verification, from time to time, of any data, credit, personal or other information about you at any time, from, to, or with any credit bureau, reporting agency, us or any of our affiliates, or any other person and you hereby authorize such parties to give such information to us and consent to the use of such information as may be required pursuant to this Agreement. You understand that such information may be collected, used and disclosed by us and our affiliates, agents and service providers, in order to: (a) assess your creditworthiness; (b) establishing, servicing and collection on your account; (c) provide you with information and offers regarding other products and services provided by us and our affiliates, and (d) determine your eligibility to any such products or services.

This agreement constitutes the entire agreement between you and OHESI in relation to the subject matter hereof, and supersedes any prior agreements or arrangements between us (or any predecessor to OHESI) regarding the Water Heater or any services relating thereto. Each party shall do such acts and execute such documents as may be required to give effect to this Agreement. This Agreement may be executed by either party in electronic format, and delivered by electronic means or by facsimile.