



Forklift Rental Agreement

Attention:

Rental Plan with Guaranteed Full Maintenance Agreement

Start Date: __/__/__

BETWEEN: LANZ MECHANICAL LTD. (hereinafter also called “the owner”)

AND: _____ (hereinafter also called the “hirer”).

Summary

I am pleased to present a rental agreement for _____, for your review as follows.

- The agreement covers one _____ powered forklift truck to be utilized by the **hirer**.
- The agreement provides for full maintenance service including: all parts and labour, scheduled planned maintenance (PM) service and all routine and emergency repairs (including rebuilds and overhauls, if required) to be provided by **Lanz Mechanical Ltd.**

Term Period

The Term Period will commence upon the start date stated above and extend for _____ thereafter ending on the Term End/Renewal Date herein.

Rental Rates

_____, 200-Monthly Hour Term:

| <i>Qty</i> | <i>Description of Equipment</i> | <i>Per Week</i> | <i>Per 12 Month</i> | <i>O/T Usage Rate</i> |
|------------|---------------------------------|-----------------|---------------------|-----------------------|
| 1 | | -- | -- | \$3.50 |

*If applicable, Long-Term Rental Rates have been based on used forklift trade-in value/s. Please review, confirm and sign attached **Trade-In Agreement** (pg. 5)

- Rates are based on usage not to exceed 200 monthly operating hours per lift truck.
- Usage in excess of this will be charged at the prevailing overtime usage rate per hour, as listed above
- Goods and Services tax: Extra as applicable
- Provincial Sales tax: Extra as applicable
- Miscellaneous Supplies Charge: ¹ Included in monthly rate
- Environmental Levy: ² Included in monthly rate
- Travel Time and Mileage: Included in monthly rate
- Required Parts: ³ Included in monthly rate
- Rentals are billed: In advance
- Terms of Payment: Due on presentation of invoice

Initial _____

Options at the End of Term:

1. Extend the rental term at the rental rates effective as of the *End of Term* date
2. Return the equipment complete with batteries, chargers, forks and attachments in the same condition as when delivered, less normal operating wear-and-tear, and with tires having 50% or more tread remaining, freight prepaid to our premises

Term End/Renewal Date: __/__/____

Responsibilities of Lanz Mechanical

1. Supply of new equipment with specifications engineered to your application as detailed in quotation.
2. To provide all labour required for maintenance and service of the equipment, including:
 - Regularly scheduled **Preventative Maintenance (PM)** and **Periodic Inspection** service as per the **Operation & Maintenance Manual**
 - All normal, routine and emergency repairs
 - Major work including rebuilds and overhauls if necessary
 - Electrical work and related services (except lights bulbs)
3. To provide all parts required for maintenance and service of the equipment
4. To provide a replacement machine, of similar specifications, subject to availability, on a no-charge basis including cartage, in the event repairs (excluding those caused by damage, abuse, negligence and/or misapplication) cannot be completed within two working days after notification
5. Maintaining and managing an inventory of spare parts and materials at your facility if necessary
6. To provide a Lanz Mechanical certified service technician on your site, as required, for the length of the maintenance agreement, to service all equipment provided by Lanz Mechanical
7. To provide factory training to our service technicians to meet the manufacturers standards and certification requirements
8. To provide copies of all service reports
9. Coordinating rental equipment maintenance with your personnel/systems
10. All planned maintenance will be performed in addition to any necessary repairs for any piece of equipment covered by the agreement required because of the normal operation of the equipment
11. Exclusions:
 - Charges incurred because of damage, abuse, negligence and/or misapplication
 - Cost of tire repair and/or replacement
 - Light bulbs

Responsibilities of the Hirer

1. To provide competent trained operators of the equipment.
2. To perform, and log, a pre-shift inspection at the beginning of each shift for each machine in accordance with the manufacturers pre-shift operation check list.
3. To provide all necessary electricity and water required for the use of the equipment and batteries in its daily operation.
4. To notify Lanz Mechanical in the event of a problem or malfunction with the equipment.
5. To notify Lanz Mechanical in the event of any malfunction of any hour meter. Lanz Mechanical will repair or replace the hour meter on a no-charge basis providing the malfunction was not caused by damage or abuse.

Initial _____

6. To not sell, assign, pledge, mortgage, underlet, lend or part with the possession of the equipment
7. To store the equipment in a secure compound when not in use. The **hirer's** premises as shall be deemed secure
8. Operate the equipment except in accordance with the equipment manufacturer's load carry specifications (capacity/specification manual to be provided) and in the manner for which it was designed
9. To provide comprehensive general liability insurance with a minimum limit of one million dollars (\$1,000,000.00) combined single limit (property damage and bodily injury) for equipment, and fire and theft coverage; and provide Lanz Mechanical with certificates of insurance.
10. To pay all applicable sales taxes.
11. To provide a safe, dry and warm working area for our mechanics.
12. To have equipment available for regularly scheduled planned maintenance service.
13. To pay any charges incurred because of damage, abuse, negligence and/or misapplication.
14. To pay for tire repair and/or replacement.
15. To return the equipment complete with forks, batteries, battery chargers and attachments in the same condition as when delivered, less normal operating wear-and-tear, and with tires having 50% or more tread remaining, freight prepaid to our premises; at the end of the rental term.
16. To carry forth the agreement herein to the full extent of the Term Period.

Rental Agreement Termination

In the event the **hirer** wishes to terminate the Rental Agreement; the **hirer** will be liable for 50% of the remaining cost of the Rental Agreement and will be obligated to provide payment for this cost in full within 6 months from the termination date.

Additional Labour Rate

In the event additional labour is required to repair equipment not covered by the above agreement and/or caused by damage, abuse, negligence and/or misapplication, the following will apply:

➤ **Labour Rate:**

- **Straight time:** ⁴ **\$ 125.00 per hour**
- **Overtime:** ⁵ **\$ 187.50 per hour**
- Goods and Services tax: Extra as applicable
- Provincial Sales tax: Extra as applicable

⁴ Straight time: 7:30 am to 4:30 pm, Monday through Friday

⁵ Overtime: statutory holidays, Saturdays and Sundays, and/or 4:30 pm to 7:30 am Monday through Friday

After hours, non-scheduled emergency service is available 365 days per year. In order to arrange for this service please phone: 778-870-9768

After hours and/or non-scheduled service work will not be undertaken unless approved by your designated personnel.

Our current prevailing labour rate may change between the date of acceptance and the Term End Date.

Initial _____

Warranty (Additional Labour)

After the initial repair, further repairs and/or adjustments required within sixty days, or three hundred hours, whichever comes first, will be performed free of labour service and parts charge provided:

- 1 The need for this repair was not required because of subsequent damage, abuse, negligence and/or misapplication
- 2 The customer was not made aware of the problem, and the need for corrective action, at the time of the original service

Other Collateral Benefits of a Rental Plan with Guaranteed Full Maintenance

1. A monthly budgeted payment 'locked in' for the term of the agreement.
2. Elimination of idle equipment: you can operate your minimum annual equipment requirement. Supplemental equipment will be made available for peak season and temporary needs at preferential short-term rates.
3. Elimination or reduction of hidden costs such as equipment and parts obsolescence, parts inventory costs, pilferage, executive and administration time, loss of productivity due to equipment downtime, etc.
4. Consultation service on material handling problems during the term of the agreement.
5. Availability of a "Driver Training Program".

Conclusion

This agreement is based on current prices of equipment, parts and service. Quoted prices are valid for 30 days, and upon acceptance are firm for the term of the agreement.

¹ *Miscellaneous supplies include: fasteners (nuts, bolts, screws, etc.), lubricants, plastic ties, wire, connectors & looms, silicone, paint, Loctite and similar materials, hose clamps, fuses, gasket material and remover, tape, snap rings, spring pins, grease, brake clean, o-rings, clevis pins, springs, etc.*

² *Environmental levy covers removal and disposal of oil, grease, coolant, etc, rags and wiping materials; necessary clean up; recycling of containers, chemicals, etc.*

³ *Except those parts required because of damage, abuse, negligence and/or misapplication*

Thank you for your interest in our products and service. I trust this agreement will meet with your approval. If you have any questions, please let me know.

Presented by:

Lanz Mechanical Ltd.

Accepted by:

Name: ___Kristian Bertrand_____

Name: _____

Signature: _____

Signature: _____

Title: ___Operations Manager_____

Title: _____

Date: _____

Initial _____