

## Welcome to HCSI Home Comfort

HCSI is a leader in the high-end residential new construction market with an excellent reputation as the 'go-to' rental provider of innovative energy-saving programs and services to a community of home builders, contractors and municipalities.

For 25 years, HCSI Home Comfort has enjoyed sustainable growth and success. We value the excellent reputation we've earned for competitive pricing and customer service.



[customer@hcsihomecomfort.ca](mailto:customer@hcsihomecomfort.ca)  
[1.844.243.5533](tel:18442435533)  
[hcsihomecomfort.ca](http://hcsihomecomfort.ca)



**TERMS & CONDITIONS**





# HCSI HOME COMFORT TERMS & CONDITIONS

**1) Interpretation** - This agreement is a lease (the "Agreement"). In this Agreement "you", "your" and "customer" refer to the person leasing the product described in the Welcome Letter (the "Product"). Where there is more than one person on title to the property in which the Product is installed (the "Property"), the same terms refer to all persons and all obligations contained herein shall be joint and several. "HCSI", "us", "we", and "our" refer to HCSI Home Comfort Inc. and its authorized personnel, agents, contractors and assigns.

**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 builder and that you have separately received all documentation containing manufacturer's specifications for the Product. You agree to keep the Product at the current 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 excepted. 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) Our Obligation to You** - Our obligation to you is to service and repair the Product with no service charges or parts replacement charges except in the following circumstances: a) if you (or a third party not authorized by us) alter, modify, adjust, damage, service, repair, move or disconnect, the Product; b) if service or repairs to the Product are necessary because the Product was used for an unintended or unauthorized purpose; c) unless you acquire a water softener or a similar product from us in hard water regions, if the Product requires de-liming, flushing or other repair due to water conditions or the quality of the environment in which the Product is situated. For greater certainty, HCSI determines hard water conditions. In such situations, we cover only diagnostic work; d) where venting, piping, wiring, plumbing, ducting and/or electric services requires cleaning, repair or replacement; e) if you fail to maintain your Product in accordance with the requirements set out below under "Maintenance of Product"; or f) if you fail to notify us. Should you require assistance, our 24-hour per day, 7 days per week emergency phone number 1-844-243-5533. Should we update this phone number, the updated number can be found on the HCSI website.

**4) 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.

**5) 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 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.

**6) 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.

**7) Term** - The lease term for the Product (the "Term") commences the date the Product is installed or, if you purchased the Property after the Product was installed, from the date of your purchase, provided you meet the requirements set out in the section entitled "Sale of the Property". The Term ends if the Agreement is terminated by you or us in accordance with the provisions herein (which, for greater certainty, includes you exercising your option to purchase in accordance with the terms contained herein) or if the useful life of the Product has ended. The useful life of a Product ends when HCSI or its authorized service provider determines, having regard to the relevant factors, including without limitation, the age of the Product and the cost of any repairs to be made to the Product, that it is no longer commercially reasonable to repair the Product.

**8) Sale of the Property** - If you sell the Property, this Agreement shall be transferred to the purchaser, and we will permit 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 Product is leased and is subject to the terms and conditions of this Agreement; b) you advise us in advance of the purchaser's name and the intended date of sale; c) the purchaser agrees in writing or by conduct to lease the Product in accordance with this Agreement; and d) you have paid us all other amounts owing under this Agreement. You hereby authorize us to respond to information requests relating to your account made by or on behalf of the purchaser.

**9) Payments** - You must make all payments (the "Payments") required to be made under this Agreement to us in the amount described on the Welcome Letter, and set out below in "Adjustments to Payment" and "Payment Authorization", throughout the Term. 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. For greater certainty, any amounts payable hereunder or listed herein shall be in Canadian dollars.

**10) Adjustments to Payments** - We may change the Payments from time to time; however, such change will only occur on the anniversary date of your

Commencement Date throughout the Term and you hereby acknowledge and agree to such change being applied to your Payments without the requirement for us to send you notification or statements reflecting the same. However, you are free to contact our customer service number at 1-844-243-5533 at any time in order to obtain a statement specifying your current Payments.

**11) 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 delivered in connection with your purchase of the Property for all Payments required to be made under this Agreement; (b) you acknowledge that this PAD is personal; (c) the bank account will be debited on the day of each month you indicated in connection with the purchase of the Property; (d) this authority shall remain in effect until 30 days after you give us written notice to cancel it at our office identified on the Welcome Letter and you may obtain a sample cancellation form, or further information on your right to cancel your PAD, at your financial institution or by visiting [www.cdnpay.ca](http://www.cdnpay.ca); (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 section; you can obtain more information on your right to cancel and your recourse rights from your financial institution or visit [www.cdnpay.ca](http://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](http://www.cdnpay.ca); and (g) you hereby waive your right to receive pre-notification of the amount of the PAD and agree that you do not require advance notice of the amount of any PAD Payments before a debit is processed.

**12) Enbridge Billing** - If you select the Enbridge Billing Service Option, HCSI's charges pursuant to this Agreement will appear in "Other Companies" section of your Enbridge Gas Distribution bill. These offers and claims are made by HCSI alone. HCSI is not owned by or affiliated with Enbridge Inc. or Enbridge Gas Distribution. You agree to switch to PAD should we discontinue the Enbridge Billing Service Option.

**13) Option to Purchase** - Provided you are not in Default (as defined) under this Agreement, you may elect to purchase the Product at any time during the Term on an "as is, where is" basis. The purchase price shall be equal to the age-reduced price that can be calculated by using:

Buyout Price = (Monthly Payment x 105) x (1 - (0.005 x number of payments made))

All buyout prices are subject to provincial and government sales taxes. To inquire and receive your competitive purchase price, please call our toll-free customer service number at 1-844-243-5533.

**14) Default Charges** - Interest at the rate of 0.821918% 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. In no event shall the total default charges owing by you exceed an amount that exceeds our reasonable costs incurred as a result of your default plus any related court costs and fees.

**15) Events of Default** - An event of "Default" shall occur upon any of the following: (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 express written consent; (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, with such assessment to be made in accordance with industry standard or manufacturer established guidelines; (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 Property 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 Property.

**16) 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 (and if necessary, disconnecting it from any other property) and you waive any and all 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. Damages owing to us upon early termination by you of this Agreement or upon the occurrence of a Default, 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) all costs incurred by us, our assignees or agents in removing the Product from your possession; and (iii) any penalties imposed on you in accordance with the provisions herein in connection with unreasonable or excessive wear or use of the Product. 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.

**17) Damage to Property** - Should the Product be removed by us from the Property herein described due to your Default, we shall not in any way be

liable in respect of any damages to your Property resulting from such removal or from any work done in connection with such removal.

**18) 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.

**19) 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 a Casualty Value (as herein defined) 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.

**20) Maintenance of Product** - The Customer shall be responsible for the normal care and maintenance of the Product in accordance with manufacturer's specifications. HCSI can offer this maintenance at its market price, as required. Failure 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.

**21) 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 PAD or other payment authorization granted by you, including as security for loan or other financing arrangement. For purposes of this section, "we" shall include any such assignee (an "Assignee"). You hereby consent to the delivery by us to any prospective Assignee of such information, including personal information, concerning you as may be in our possession. You may not assign this Agreement without our prior written consent.

**22) General** - 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 Welcome Letter 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 and nothing else contained herein shall be interpreted as us transferring ownership of and title to the Product to you; (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; (l) the email address provided by the builder to us is your true email address and agree that the sending of a pdf copy of this Agreement by hard copy or by email shall constitute delivery under the Consumer Protection Act (Ontario); (m) you will promptly inform us of any change in your email or mailing address at least 10 days in advance of such change as well as any changes to your bank account or other information that may affect our ability to receive Payments; and (n) a facsimile and/or imaged copy of this Agreement is enforceable in a court of law.

**23) Consent to Disclosure and Sharing of Personal Information and Credit Investigation** - We collect and use personal information about you in order to establish and manage our business relationship with you. You authorize us and our assigns to use and disclose your personal information to confirm your identity, to evaluate your creditworthiness, to administer this Agreement, to perform internal statistical analysis, and 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 anytime 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.hcsihomecomfort.ca](http://www.hcsihomecomfort.ca), or upon making a request to us in writing to our address 80 Bass Pro Mills Dr., Unit 5 Vaughan, Ontario, L4K 5W9.