

File No.: 04-1000-20-2023-257

August 21, 2023

s.22(1)

Dear s.22(1)

Re: **Request for Access to Records under the Freedom of Information and Protection of Privacy Act (the "Act")**

I am responding to your request of May 1, 2023 under the ***Freedom of Information and Protection of Privacy Act*** for:

The following lease agreements:

- 1. Lease agreement for 877 Hamilton Street;**
- 2. Lease agreement between the City and Mole Hill Community Housing Society for property at 1114 Comox Street; and**
- 3. Lease agreement between the City and Community Builders Benevolence Group in connection to property at 1300 Granville Street.**

All responsive records are attached. Some information in the records has been severed (blacked out) under s.17(1) of the Act. You can read or download this section here: http://www.bclaws.ca/EPLibraries/bclaws_new/document/ID/freeside/96165_00.

Under section 52 of the Act, and within 30 business days of receipt of this letter, you may ask the Information & Privacy Commissioner to review any matter related to the City's response to your FOI request by writing to: Office of the Information & Privacy Commissioner, info@oipc.bc.ca or by phoning 250-387-5629.

If you request a review, please provide the Commissioner's office with: 1) the request number (#04-1000-20-2023-257); 2) a copy of this letter; 3) a copy of your original request; and 4) detailed reasons why you are seeking the review.

Yours truly,

[Signed by Cobi Falconer]

Cobi Falconer, MAS, MLIS, CIPP/C
Director, Access to Information & Privacy
cobi.falconer@vancouver.ca
453 W. 12th Avenue Vancouver BC V5Y 1V4

If you have any questions, please email us at foi@vancouver.ca and we will respond to you as soon as possible. Alternatively, you can call the FOI Case Manager at 604-871-6584.

Encl. (Response Package)

:kt

File No.: 01-0199-010

MEMORANDUM

November 28, 2012

TO: Janice MacKenzie, City Clerk

COPY TO: John Breckner, Operations, Real Estate Services (w/encl)
 Dino Di Fonzo, Real Estate Services (w/encl)
 Michelle Vernooy, Social Infrastructure (w/encl)
 Danica Djurkovic, Real Estate and Facilities Management (w/encl)
 Michelle Schouls, Project Management (w/encl)

FROM: Joe Stubbs, Solicitor

SUBJECT: Mole Hill Community Housing Society - Childcare Sublease
 1164 Comox Street

Attached please find document for filing:

TYPE OF AGREEMENT	CHILDCARE SUBLEASE
DATE OF AGREEMENT (If this date is execution date and there is more than one date, use the latest date as the date of the agreement)	October 8, 2012
PARTIES (complete names)	MOLE HILL COMMUNITY HOUSING SOCIETY and CITY OF VANCOUVER
CIVIC ADDRESS (no abbreviations - must be searchable)	1164 Comox Street
LEGAL DESCRIPTION (no abbreviations - must be searchable)	PID: 015-750-515, Lot 8 Block 23 District Lot 185 Plan 92

#155379v1

City of Vancouver Law Department
 Tel: 604.873.7512 Fax: 604.873.7445

Mailing Address: 453 West 12th Avenue
 Vancouver, British Columbia V5Y 1V4

Delivery Address: 401-515 West 10th Avenue
 Vancouver, British Columbia V5Z 4A8



EXPIRY DATE (indicate "N/A" if there is no expiry date)	December 31, 2061
RETENTION DATE (if there is an expiry date, fill in the date that the City clerk may send this document to Records - usually one year after expire date)	December 31, 2062
REMINDER DATE (if there are no expiry/retention dates, THIS MUST BE FILLED IN - the lawyer can help to determine when this agreement could possibly be sent to Records - City Clerk's will use this date to remind us to review the agreement to determine whether it can be sent to Records)	September 30, 2061
WHO TO NOTIFY (this may be more than one person) [make sure you indicate the person's name, department (including division) and telephone number]	John Breckner, Real Estate Services (604-873-7420) Dennis Carr, Social Infrastructure (604-873-7207) Joe Stubbs, Legal Services (604-873-7504)
FILE NUMBER (Law Department file number)	01-0199-010



Joe Stubbs

JNS/kos
encl.

LAND TITLE ACT
FORM C

(Section 233)
Province of British Columbia

GENERAL INSTRUMENT - PART 1 (This area for Land Title Office Use)

Page 1 of 16 pages

1. APPLICATION: (Name, address, phone number and signature of applicant, applicant's solicitor or agent)

Joe Stubbs
City of Vancouver Law Department
453 West 12th Avenue
Vancouver, B.C., V5Y 1V4
Phone 604-873-7504 (JNS/kos) Client No. 10647
Please do not merge Option to Lease BT1547



Applicant or applicant's signature

AGENT

2. PARCEL IDENTIFIER(S) AND LEGAL DESCRIPTION(S) OF LAND:*

(PID)	(LEGAL DESCRIPTION)
015-750-515	Lot 8 Block 23 District Lot 185 Plan 92

3. NATURE OF INTEREST:*

DESCRIPTION	DOCUMENT REFERENCE (page and paragraph)	PERSON ENTITLED TO INTEREST
Sublease of Part Shown as Unit B on Plan LMP52384	Entire Instrument	Transferee
Easement over part in Plan LMP <u>BCP 51577</u>	Page 5 Paragraph 2.2	Transferee

4. TERMS: Part 2 of this instrument consists of (select one only)

- (a) Filed Standard Charge Terms D.F. No.
- (b) Express Charge Terms Annexed as Part 2
- (c) Release There is no Part 2 of this instrument

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument. If (c) is selected, the charge described in Item 3 is released or discharge as a charge on the land described in Item 2.

5. TRANSFEROR(S):*

MOLE HILL COMMUNITY HOUSING SOCIETY;


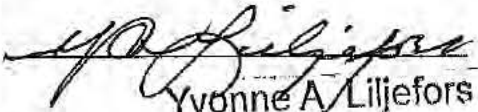

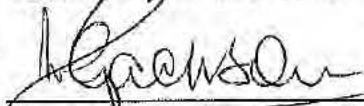
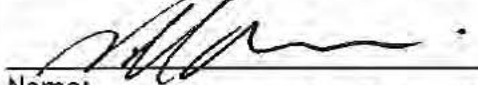
6. TRANSFEREE(S):* (including postal address(es) and postal code(s))*

CITY OF VANCOUVER, a municipal corporation, 453 West 12th Avenue, Vancouver, BC V5Y 1V4

7. ADDITIONAL OR MODIFIED TERMS:*

N/A

8. EXECUTION(S):** This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferor(s) and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)	Execution Date			Party(ies) Signature(s)
	Y	M	D	
 Joe Stubbs, Solicitor 453 West 12 th Avenue Vancouver, BC V5Y 1V4 Tel: 604-873-7504	12	10	08	CITY OF VANCOUVER by its authorized signatory  JS Yvonne A. Liljefors Required by Option to Sublease BT1547
 as to both signatures MICHAEL WALKER BARRISTER & SOLICITOR MILLER THOMSON LLP ROBSON COURT 1000 - 840 HOWE STREET VANCOUVER, B.C. V6Z 2M1 604-687-2242	12	10	02	MOLE HILL COMMUNITY HOUSING SOCIETY by its authorized signatories  Name: GILLIAN JACKSON
	12	10	03	 Name: NITIN MADHAVANI

OFFICER CERTIFICATION: Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996, c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

* If space insufficient, enter "SEE SCHEDULE" and attach schedule in Form E.
** If space insufficient, continue executions on additional page(s) in Form D.

PART 2 - TERMS OF INSTRUMENT

- A. It is understood and agreed that this instrument shall be read as follows:
- (a) the transferor Mole Hill Community Housing Society is called the "Landlord"; and
 - (b) the transferee City of Vancouver is called the "Tenant".
- B. The Landlord leases the Lands (herein defined) from the Tenant pursuant to the lease registered in the Land Title Office under number BT1546 (the "Head Lease").
- C. The Landlord caused the rehabilitation of the three level residential building (the "Building") situate on the Lands.
- D. Pursuant to option to sublease number BT1547 the Landlord and the Tenant have agreed that the part of the Building shown as Unit B on plan LMP52384 shall be subleased to the Tenant for use as a childcare facility upon the terms and conditions hereof including the easement herein granted to the Tenant:

NOW THEREFORE THIS INDENTURE WITNESSES THAT as required by option to sublease BT1547 and in consideration of the rent herein provided (the receipt and sufficiency whereof the Landlord hereby acknowledges), the Landlord hereby subleases the Leased Premises (herein defined) to the Tenant and hereby grants to the Tenant an easement to use the Easement Area (herein defined) and the Tenant hereby takes and holds the Leased Premises and the Easement Area on the terms and conditions set out herein.

ARTICLE 1

DEFINITIONS

1.1 Unless otherwise specifically provided to the contrary, for all purposes of this sublease the terms defined in this section 1.1 have the meanings now given as follows:

- (a) "Building" means the house situate on the Lands;
- (b) "Common Areas", "Common Facilities" and "Common Services" whether such terms are used individually or collectively shall mean all areas (including the Easement Area), facilities and services respectively provided by the Landlord which serve or are for the benefit of the Building or Lands (and which are from time to time not designated or intended by the Landlord to be leased to tenants) or are for the common or joint use and benefit of all or several occupants of the Building and their respective invitees, licensees, customers, servants and employees, and includes without limitation, electricity, geothermal heating, air conditioning, ventilating air, water, the electrical, telephone, fire alarm, fire fighting, heating, ventilating, air-conditioning, plumbing and drainage equipment and systems, the roof, chimneys, exterior

wall assemblies, weather walls, exterior and interior structural elements, bearing walls, floors, walls, ceilings of the Building and all parking areas, driveways, retaining walls, landscaped areas, loading docks, courts, stairs, ramps, sidewalks and areas and bins for storage of garbage and materials for recycling, but shall not mean interior and exterior glass and the heating, ventilating and air conditioning equipment which serves only the Leased Premises;

- (c) "Easement Area" means those parts of the Lands shown in heavy outlining on the explanatory plan marginally numbered LE24746 and certified correct by James E. Gregson B.C.L.S. on the 5th day of April, 2011, a reduced copy of which is attached hereto as Schedule "B";
- (d) "Lands" means all and singular that certain parcel or tract of land and premises situate in the City of Vancouver, in the Province of British Columbia legally described as Parcel Identifier 015-750-515, Lot 8 Block 23 District Lot 185 Plan 92;
- (e) "Leased Premises" means that 283.00 square metre part of the Building called Unit B on plan LMP52384 a copy of which is attached as Schedule "A";
- (f) "Taxes" means all taxes, rates, duties, charges, levies and assessments including school taxes, local improvement rates and other charges which now are or shall or may be levied, rated, charged or assessed against the Lands and the Building in each calendar year of the term of this sublease and reasonable legal fees and appraising fees incurred by the Landlord in contesting or appealing the amount or legality of any such taxes, but "Taxes" shall not include any taxes, rates, duties, charges and assessments levied, rated, charged or assessed against machinery, equipment, facilities and other property which is not used for the operation of the Lands or the Building. "Taxes" also means the ADDITIONAL RENT payable by the Landlord to the Head Landlord in lieu of REALTY TAXES pursuant to the Head Lease;
- (g) "Tenant's Share of Taxes" shall be the sum produced by multiplying the assessed value (including nominal value or absence of value) attributed to the Leased Premises by the assessment authority in determining the current assessment of the Lands and the Building for Taxes by the current mill rate and/or rates of levy applied to the assessed value of the Leased Premises by the taxing authority to determine the Taxes, provided that if the assessment authority refuses or fails to attribute an assessed value to the Leased Premises or refuses or fails to declare its attribution of assessed value to the Leased Premises the "Tenant's Share of Taxes" shall be the sum produced by multiplying the Taxes for the Lands and Building by a fraction, the numerator of which is the Rentable Area of the Leased Premises and the denominator of which is the total Rentable Areas within the Building, provided further that if the Lands and Buildings are exempt from the payment of Taxes and by virtue thereof the Landlord is obliged to pay to the Head Landlord ADDITIONAL RENT equal to the Taxes otherwise payable, then the "Tenant's Share of Taxes" shall be that part of such ADDITIONAL RENT fairly attributed to the Leased Premises, but if the Head Landlord does not include in such ADDITIONAL RENT that part of the Taxes

otherwise payable which is fairly attributed to the Leased Premises then the "Tenant's Share of Taxes" shall be nil; and

- (h) "Tenant's Taxes" means all taxes, rates, duties, levies, charges and assessments imposed, levied, charged or assessed by any lawful authority in each calendar year of the term of this sublease relating to or in respect of the business or activity conducted within the Leased Premises or relating to or in respect to personal property, equipment, machinery or fixtures brought therein by or belonging to the Tenant or any one occupying the Leased Premises from time to time.

ARTICLE 2

THE DEMISE AND TENANT'S COVENANTS

2.1 The Landlord hereby subleases the Leased Premises unto the Tenant to have and to hold the same for and during the term commencing January 1, 2002 and ending at 11:59 p.m. December 31, 2061 at and for the rent of ~~§.17(1)~~ for the entire term payable at the commencement of the term, the receipt and sufficiency of which the Landlord hereby acknowledges.

2.2 In consideration of the rent aforesaid the Landlord hereby grants to the Tenant for the term of this sublease the exclusive right, liberty and easement to come upon, use and enjoy the Easement Area for parking one motor vehicle and for childcare uses or such other uses as are ancillary to approved use of the Leased Premises from time to time, but not otherwise. This easement shall be inseverably annexed to the sublease herein granted. If the Childcare licencing authority requires enlargement of the play yard part of the Easement Area then, at the Tenant's cost, the Easement Area shall be enlarged accordingly and the plan of the Easement Area shall be redrawn accordingly and the parties shall modify this easement in registerable form and the modification of this easement shall be registered in the Land Title Office together with the redrawn plan of the Easement Area. Any disagreements arising from this section may be referred to arbitration by either party for final determination pursuant to the *Commercial Arbitration Act*.

2.3 The Tenant shall promptly pay the Tenant's Share of Taxes upon receiving the Landlord's invoice therefor. For the period commencing as of the commencement date of the term and continuing until the last day of the same calendar year this charge shall be reduced to the sum produced by multiplying such charge by a certain fraction the denominator of which is 365 and the numerator of which is the number of days from the commencement date of the term to the last day of the same calendar year AND in the last year of the term this charge shall be reduced in a like manner, provided however, the numerator of such fraction shall be the number of days from the first day of January in the year of termination until the day of termination. Should the Landlord so require, the Tenant shall make monthly installments on account of the Tenant's Share of Taxes based on the Landlord's bona fide estimate thereof and the parties shall make such adjustment as shall be necessary when the Landlord finally determines the Tenant's Share of Taxes. If installments on account of Taxes are required by the taxing authority, the Tenant shall promptly pay its pro rata share of the same upon receiving the Landlord's invoice therefor. Prior to invoicing the Tenant, the Landlord shall request the assessment authority's written opinion or declaration as to the value attributed to the Leased Premises in determining the current assessment of the Lands

and the Building and when obtained shall provide the Tenant with a copy of same. At its own cost the Tenant shall have the right from time to time to appeal any assessment for Taxes of the Lands and the Building insofar as it concerns the value attributed to the Leased Premises. If the Tenant is unable to take such appeal except in the name of the Landlord, then at its own cost the Tenant shall have the right to appeal in the name of the Landlord.

2.4 The Tenant shall promptly pay as they become due the Tenant's Taxes.

2.5 The Tenant shall promptly pay as they become due all charges, rates and levies on account of the provision to the Leased Premises of all utilities and services which are not provided to the Leased Premises by the Landlord as Common Facilities and Common Services.

2.6 The Tenant shall pay to the Landlord ~~5.17(1)~~ percent ~~5.17(1)~~ of:

- (a) the Landlord's costs of providing the Common Services and inspecting, maintaining, repairing, replacing and renewing the Common Areas and Common Facilities as anticipated in the Landlord's annual budget for the Building. The Landlord shall bill the Tenant quarterly for such costs based on the actual costs so incurred by the Landlord for each quarter; and
- (b) the Landlord's costs of the work referred to in Section 4.7. The Landlord shall bill the Tenant for such costs at the completion of each job.

Within 30 days of receiving each invoice, the Tenant shall pay such invoice in full.

ARTICLE 3

ADDITIONAL TENANT'S COVENANTS

The Tenant covenants and agrees with the Landlord:

3.1 to use the Leased Premises and the Easement Area only for childcare uses or such other non-profit use or uses as are reasonably compatible with the family residential use of the Building as agreed between the Landlord and the Tenant, but if the Landlord and the Tenant cannot agree as to whether such other use or uses are non-profit or are reasonably compatible with the family residential use of the Building, such disagreement shall be decided by arbitration;

3.2 not to do, or permit to be done, anything which would cause the Landlord's insurance to be cancelled or the cost thereof to be increased and, without waiving the foregoing prohibitions, the Landlord may demand, and the Tenant shall comply with the Landlord's demand to cease or cause to be ceased any activity or condition which would cause the Landlord's insurance to be cancelled or the premiums therefor increased, and if increased shall pay to the Landlord on demand, the amount of any such increase in costs caused by such act or omission. If following the Landlord's demand that the default cease the Tenant's default results in cancellation of any policy of insurance, the Tenant shall indemnify the Landlord for any losses directly resulting from such cancellation including those arising from a casualty formerly covered by the cancelled policy. Upon the Tenant rectifying the default

resulting in cancellation, the Landlord shall forthwith make every reasonable effort to reinstate the cancelled coverage and keep the Tenant advised accordingly;

3.3 not to permit the Leased Premises, its refuse/recycling area or the Easement Area to become untidy, unsightly or hazardous or permit waste or refuse to accumulate therein, except in refuse or recycling bins located in the refuse storage area assigned to the Leased Premises;

3.4 to immediately advise the Landlord of the presence of and do all things necessary to remove any dangerous condition existing on the Leased Premises or the Easement Area and arising as a result of the act or omission of the Tenant, its sublessee and their respective agents, servants, licensees and invitees;

3.5 to comply at its own expense with all municipal, federal, provincial, sanitary, fire and safety laws, by-laws, regulations and requirements pertaining to or arising in consequence of the use of and activities in the Leased Premises and the Easement Area, the installation by or at the request of the Tenant or those claiming through the Tenant of any fixtures, furniture or equipment or the making by or at the request of the Tenant or those claiming through the Tenant of any repairs (but not including repairs required of the Landlord), changes or improvements to the Leased Premises;

3.6 except for damage or destruction caused by the Landlord or any party for whom the Landlord is vicariously liable, in respect of the Leased Premises and the Easement Area, to be solely responsible for:

- (a) the operating costs, repair, maintenance and replacement of the heating, ventilating and air conditioning equipment and all other equipment including Easement Area play equipment which serves only the Leased Premises;
- (b) decoration, repairs and maintenance of the surfaces of the interior walls, floors and ceilings and the interior fixtures and fittings such as sinks, taps, toilets and light fixtures;
- (c) replacement of broken or damaged interior and exterior glass;
- (d) care and maintenance of the Easement Area not including tree maintenance and hedge trimming; and
- (e) keeping both Easement Area yards fenced.

3.7 that the Landlord upon reasonable notice may enter the Leased Premises and the Easement Area and view the state of repair and the Tenant will repair according to reasonable notice save as aforesaid, provided however, in an emergency the Landlord may enter the Leased Premises and the Easement Area without notice and may do what is reasonably necessary to abate the emergency;

3.8 to release the Landlord from and to indemnify and save harmless the Landlord from and against all liens, actions, causes of actions, suits, claims, demands, damage and expense whatsoever arising out of the use or occupancy of the Leased Premises, the use of the Easement Area or any work performed or services provided by or at the request of the

Tenant despite such work or service otherwise amounting to default by the Landlord under the Head Lease or the PERMITTED ENCUMBRANCES referred to therein, provided however, this release and covenant of indemnification shall not apply to the extent that the loss or injury was caused or contributed to by the negligence of the Landlord or any party for whom the Landlord is vicariously liable for such negligence;

3.9 to obtain or cause its subsublessee or licensee to obtain and keep in force during the term of this sublease with respect to the Leased Premises and the Easement Area at the Tenant's sole cost commercial general liability insurance to the value of \$5,000,000 in 2011 Canadian dollars with a tenant's legal liability extension to the value of \$1,000,000 in 2011 Canadian dollars and to furnish or cause its subsubtenant or licensee to furnish to the Landlord certificates or other evidence that such insurance is in force. So long as the Tenant is City of Vancouver and so long as the City of Vancouver is self-insuring the risks of personal injury, death and property damage it shall not be required to provide the policy of comprehensive personal liability insurance. If its subtenant or licensee is participating in the City of Vancouver's self-insurance programme, it shall not be required to provide the policy of comprehensive personal liability insurance;

3.10 to pay to the Landlord interest on any monies payable by the Tenant to the Landlord hereunder until paid per annum interest of one percent (1%) greater than that per annum rate of interest charged by the chartered bank with which the Landlord does business to its most creditworthy commercial clients as such may vary from time to time;

3.11 to keep the exterior walls of the Building and the exterior windows of the Leased Premises and the Easement Area clear of signs, posters, notices and similar material except as permitted in Article 4;

3.12 so far as such rules and regulations are reasonably applicable to the Leased Premises, to observe or cause to be observed by its subtenant or licensee such reasonable rules and regulations as may be prescribed by the Landlord from time to time and applicable generally to tenants of the Building or reasonably applicable to the Tenant or the Leased Premises and such rules and regulations shall be deemed to be incorporated into and form part of this sublease, provided however, no such rules or regulations shall discriminate against the Tenant or prohibit, limit or restrict the use of the Leased Premises or the Easement Area, times of use, the times of access to and egress from the Easement Area or the times of access to and egress from the Leased Premises by its separate public street entrance or the identity or character of the user;

3.13 to permit the Landlord to show the Leased Premises and the Easement Area to prospective assignees of the Head Lease and in connection with the Landlord's financing or refinancing of the Head Lease;

3.14 subject always to the Landlord's obligations in sections 4.2 and 4.3, to maintain and leave the Leased Premises and the Easement Area in a safe and neat and tidy condition; and

3.15 to refrain from any act or omission which will constitute default by the Landlord under the Head Lease in respect of the Lands, Building and Leased Premises.

3.16 If the Tenant elects to self-insure pursuant to section 3.9:

- (a) the liability of the Tenant, whether under this Sublease or otherwise, shall in no way be limited, reduced, or adversely affected by the fact that the Tenant has elected to self-insure;
- (b) the Tenant's indemnification obligations hereunder shall in no way be limited;
- (c) the Tenant shall:
 - (i) itself be liable to the same extent as the insurance coverage and protection required hereunder in accordance with the limits, extent, and type of coverage that would have been provided had it purchased insurance from an independent insurer in accordance with section 3.9, including without limitation the obligation to give the Landlord and the Landlord's property manager, mortgagees, and each of their respective officers, directors, employees, agents, and persons and entities for whom they are in law responsible (the "Released Persons") all of the protections, benefits, rights, indemnities, and payments that would have been provided had the Tenant not so self-insured;
 - (ii) release the Landlord and the Released Persons from all claims that the Tenant has against them in respect of costs and expenses for which the Tenant would have received insurance funds but which the Tenant is instead funding out of its own pocket (including amounts below the level of its deductibles);
 - (iii) indemnify and hold harmless the Landlord and the Released Persons from and against any and all losses, costs, claims, expenses, liabilities, and damages resulting from the Tenant's election to self-insure in accordance with the above provisions; and
 - (iv) in relation to any event or claim for which a defence and/or coverage would have been available from an insurance company had insurance been purchased from an independent insurer:
 - (A) undertake the defence of that claim at its sole cost and expense, including a defence of the Landlord and the Released Persons; and
 - (B) use its own funds to pay any claim or otherwise provide the funding which would have been available from insurance proceeds but for its election to self-insure.

ARTICLE 4

LANDLORD'S COVENANTS

The Landlord covenants and agrees with the Tenant:

4.1 the Tenant shall peaceably enjoy and possess the Leased Premises for the term of this sublease without any interruption or disturbance from the Landlord or from any other person or persons lawfully claiming by, from or under it;

4.2 to provide to the Leased Premises and the Building as they may apply to the Leased Premises all the services referred to in the definition of "Common Services" provided that in the case of a Common Service in the nature of a utility the Landlord assumes no liability for ensuring the continued provision of such services save and except to allow for the connection thereof by lines through the Lands and the Building and the timely repair and maintenance of such lines;

4.3 to keep the Common Facilities in a safe and clean condition and in good repair and to replace those Common Facilities which cannot be kept in good repair and to keep the Common Areas in a safe, clean, neat and tidy condition and in good repair;

4.4 to fulfill its obligations in sections 4.2 and 4.3 to the same standard, and where applicable, with the same frequency as such obligations are discharged for all lands and buildings held pursuant to the Head Lease except if work is sooner required to avoid losing any licence required for the childcare operation in which case such work will be carried out as soon as practicable, provided that the Landlord shall clean exterior glass not less than yearly and the Landlord shall schedule all work so as to avoid disturbing the childcare operation and where such is not reasonable or practicable so as to minimize disturbance to the childcare operation;

4.5 to comply at its own expense with all municipal, federal, provincial, sanitary, fire and safety laws, bylaws, regulations and requirements pertaining to the Common Areas, Common Facilities and Common Services;

4.6 as soon as reasonably practicable, in each year to give to the Tenant a copy of the annual budget and schedule for the operating costs, inspections, maintenance, repairs and replacements of and to the Lands and the Building;

4.7 to give the Tenant at least 90 days notice of structural repairs, painting and other irregular matters of maintenance, repairs and replacements not within the annual budget;

4.8 to allow the Tenant to remove from time to time trade fixtures including those affixed, provided that the Tenant shall repair any damage so caused;

4.9 to effect and keep in force insurance in accordance with its covenants under the Head Lease;

4.10 the Tenant is hereby released from any and all liability or responsibility to the Landlord or anyone claiming through or under the Landlord by way of subrogation or otherwise for any loss or damage to the Leased Premises or the Building caused by fire or any of the perils now or hereafter from time to time embraced by or defined in the form of insurance coverage herein required, provided however, so long as the Tenant is not self-insuring the risks of actionable property damage as permitted only by section 3.9, this

release shall not apply to the extent that such loss or damage is covered by the insurance to be taken out and kept in force pursuant to the terms of section 3.9;

4.11 so long as the utility ducts of the Building can reasonably receive them in the reasonable opinion of the Tenant's professional advisers, to permit at the expense of the Tenant the installation of cables in the Leased Premises (and the Common Areas in order to allow easy connection thereto) to receive television and other communication signals of any nature and to permit connection thereto by the broadcaster. If the Landlord so elects, the Landlord shall effect such installation at the cost of the Tenant;

4.12 so long as it be lawful, to permit the Tenant to place a trade sign on the exterior of the Leased Premises and at the perimeter of the Lands of a type and design which shall first be approved by the Landlord, such approval not to be unreasonably withheld; the cost of maintenance, repair and replacement of such sign shall be at the sole cost of the Tenant AND to permit the Tenant to place art work, posters, learning aids, information bulletins and similar material on the inside of the exterior windows of the Leased Premises and to display same in the Easement Area;

4.13 subject always to laws, by-laws and lawful orders to the contrary, at no additional cost to permit the Tenant, its subtenant or licensee and their respective officers, servants, agents, licensees and invitees to park delivery vehicles in the off-street loading areas developed on the Lands as long as reasonably necessary for deliveries to and from the Leased Premises;

4.14 to provide to the Tenant, its subtenant or licensee and their respective officers, servants, agents and invitees, reasonable, convenient access to and egress from the Leased Premises, the Easement Area, the Common Areas and the Common Facilities; and

4.15 to provide the Tenant with copies of and to enforce all warranties concerning the construction, fitting, equipping and finishing of the Lands and the Building.

ARTICLE 5

DAMAGE AND DESTRUCTION

5.1 This sublease shall not prevent demolition of the Building as required by the Head Lease or by law. The term of this sublease shall terminate as of the date of complete demolition of the Building. So as to not hinder prosecution of demolition of the Building, the Tenant shall vacate the Leased Premises when demolition of the Building shall reasonably require cessation of occupation of the Leased Premises. Upon such vacation of the Leased Premises, the Tenant's obligations hereunder shall cease provided however if demolition of the Building is delayed the Tenant may resume occupation of the Leased Premises and the rights and obligations of the parties hereunder shall revive as of that date. Upon completion of demolition of the Building the Tenant shall release and discharge this sublease from the records of the Land Title Office.

5.2 Except as provided in section 5.1 if the Leased Premises shall be damaged by fire or other casualty, the damage to the Leased Premises shall be repaired by the Landlord at its expense except that repairs to any alterations, partitions, additions, extensions,

equipment, installations or trade fixtures effected by or on behalf of the Tenant shall be performed by the Tenant at the expense of the Tenant. The materials for and workmanship of such repairs shall be equal to or better than that of the original construction of the Building.

ARTICLE 6

ASSIGNMENT AND SUBLEASING

6.1 The Tenant may assign this sublease with the Landlord's consent, which consent the Landlord covenants to not unreasonably withhold, provided that the Tenant remains liable for its covenants under this sublease and the assignee assumes such covenants in addition to the Tenant.

6.2 The Tenant may subsublease or grant licenses of the Leased Premises or any part thereof with the Landlord's consent, which consent the Landlord covenants to not unreasonably withhold provided that the Tenant remains liable for its covenants under this sublease and the subtenant or licensee assumes such covenants in addition to the Tenant.

ARTICLE 7

FURTHER COVENANTS AND CONDITIONS

7.1 Time shall be of the essence in this sublease.

7.2 The Tenant upon written request shall promptly provide to the Landlord or any mortgagee of the Lands or any prospective purchaser of the Lands a written certificate as to the status of this sublease including as to whether it is in full force and effect, if modified or unmodified, confirming the state of accounts between the Landlord and the Tenant, the existence or non-existence of defaults and any other matters pertaining to this sublease for which the Landlord or any mortgagee of the Lands shall reasonably require such certification.

7.3 The Tenant upon written request shall promptly grant to any holder of a mortgage of the Head Lease priority over this sublease on condition that the holder of such mortgage agrees in writing with the Tenant:

- (a) to not disturb or challenge the tenancy created by this sublease, notwithstanding any defaults by the Landlord under the mortgage or any defaults by the Tenant under this sublease;
- (b) to refrain from including the Tenant as a defendant in any foreclosure action or other actions to enforce any term of or remedies provided by such mortgage; and
- (c) to be bound by this sublease upon becoming lessee under the Head Lease.

So that such covenants shall run with any such mortgage and enure to the benefit of and be binding upon the assignees thereof, such covenants of priority shall be in the form of a registrable modification of such mortgage to which the Landlord and Tenant shall be parties. Such agreement shall have no force or effect until completion of registration thereof in the Land Title Office. Subject to the foregoing, any such priority agreement and modification of

mortgage shall be drawn to the reasonable satisfaction of the solicitors for the Landlord, Tenant and mortgagee so concerned.

7.4 The Landlord may interrupt the provision of Common Services and Common Facilities and the use of Common Areas to carry out inspections, maintenance, repairs, replacements and improvements and/or for other reasonable reasons and in such cases and during such times, the obligation of the Landlord to provide the same shall be suspended as necessary, provided however, the Landlord shall diligently prosecute such work to conclusion.

7.5 As conditions hereof the Landlord covenants and agrees that this sublease shall not be forfeited or terminated by reason of any breach, default or other wrong, whether by commission or omission, on the part of the Tenant and those claiming through the Tenant, and that it shall refrain from seeking any judgment, order or declaration terminating this sublease, subject always to section 5.1 hereof. These conditions shall not prevent the Landlord from seeking judgment for any indebtedness or damages including punitive damages or from applying to enjoin or restrain any breach, default or other wrong, whether by commission or omission, on the part of the Tenant and those claiming through the Tenant.

7.6 If the Tenant defaults in the performance or observance of any of its obligations under this sublease and such defaults shall continue 30 days after written notice thereof from the Landlord or such longer period as the due remedy of such default shall reasonably require, the Landlord may cure the default. The Tenant shall pay to the Landlord as additional rent the Landlord's costs of curing such default within 30 days of receiving the Landlord's invoice therefor. If such additional rent remains unpaid 60 days after falling due, the Landlord may seek judgment for such rent and distraint for the same.

7.7 The Tenant may surrender this sublease upon reasonable notice, provided however such surrender shall not extinguish any liability arising prior to the date of such surrender. Upon expiry of the time provided in such notice, the Tenant shall deliver up vacant possession of the Leased Premises.

7.8 All rights and benefits and all obligations of the Landlord and the Tenant under this sublease shall be rights, benefits and obligations of the Landlord and the Tenant respectively only in their capacities as landlord and tenant under this sublease. The Landlord further agrees that nothing in this sublease limits or restricts the City of Vancouver, its legislative council, and its officers, servants or agents in the full exercise of any and all powers and duties vested in them in their respective capacities as a municipal government, as a municipal council and as the officers, servants and agents of a municipal government.

7.9 Any notice required to be given hereunder must be in writing and the sender must deliver it by hand or by fax or by mail to the party to which it is to be given, as follows:

(a) to the Landlord at:

Mole Hill Community Housing Society
P.O. Box 93524
Nelson Park RPO
Vancouver, British Columbia
V6E 4L7

(b) to the Tenant at:

City of Vancouver
453 West 12th Avenue
Vancouver, B.C.
V5Y 1V4

Attention: Director of Real Estate Services
Fax Number: 604-873-7064

Copy to: Managing Director of Social Development
Fax number: 604-871-6048

Copy to: Director of Facility Design and Management
Fax number: 604-871-6084

or to such other address or fax number as the party may designate and will be deemed to have been received on the day of delivery or faxing if within business hours on a business day and otherwise on the next succeeding business day and, if mailed, the fifth day after mailing, provided that if there is between the time of mailing and the actual receipt of the notice a mail strike, slow-down or other labour dispute which might affect delivery of such notice then such notice shall only be effective if actually delivered.

7.10 Words herein importing the singular number or the masculine gender only shall include more persons, parties or things of the same kind than one, and females as well as males, and the converse whenever the context requires; also these presents shall enure to the benefit of and be binding upon the heirs, executors, administrators, trustees, successors and assigns of the respective parties hereto and all parties claiming through them.

IN WITNESS WHEREOF the parties hereto have hereunto caused their authorized signatories to sign this sublease on the introductory pages hereof.

Schedule "A" Plan LMP52384

7/2/85 LMP-52384 (REV. 08-02-85) (REV. 04-24-85) (REV. 02-17-85) (REV. 02-17-85)

**EXPLANATORY PLAN FOR LEASE PURPOSES OF A THREE STOREY BUILDING
SITUATED ON LOT 8, BLOCK 23, DISTRICT LOT 185, GROUP ONE,
NEW WESTMINSTER DISTRICT, PLAN 92**

B. C. S. 926. 025

SCALE 1:1000

ALL DISTANCES ARE IN METRES

PLAN LMP 52384
PREPARED BY ME AND THE ARCHITECT AT THE REQUEST OF THE
PROPERTY OWNER

John Small
ARCHITECT

REV. # 871545

MAIN FLOOR



SECOND FLOOR



TABLE OF AREAS

BUILDING	FLOOR	AREA (sq. ft.)	TOTAL AREA (sq. ft.)
MAIN	FLOOR	108.00	108.00
SECOND	FLOOR	71.00	179.00
TOTAL		179.00	179.00

REVISIONS AND CORRECTIONS FROM
CHECK SHEET ATTACHED TO THIS PLAN

PREPARED BY ME AND THE ARCHITECT AT THE REQUEST OF THE
PROPERTY OWNER

J. Small

THIS PLAN IS A REVISION OF
PLAN LMP 52384, DISTRICT LOT 185, GROUP ONE,
NEW WESTMINSTER DISTRICT, PLAN 92

HOBBS, BENTON & MACDONALD,
B. C. LAND SURVEYORS,
230-140 EAST 2ND STREET,
VICTORIA, B. C. V1Y 1R8
TEL. 384-1800 FAX 384-3226

LE24746

**EXPLANATORY PLAN OF EASEMENT
OVER A PORTION OF LOT 8 BLOCK 23 DISTRICT LOT
185 GROUP 1 NEW WESTMINSTER DISTRICT
PLAN 92**

PLAN BCP

DEPOSITED IN THE LAND TITLE OFFICE AT
NEW WESTMINSTER, BRITISH COLUMBIA,
THIS ____ DAY OF _____ 2011

REGISTRAR

REFERENCE NO.

PURSUANT TO SECTION 99 (1) (e) LAND TITLE ACT

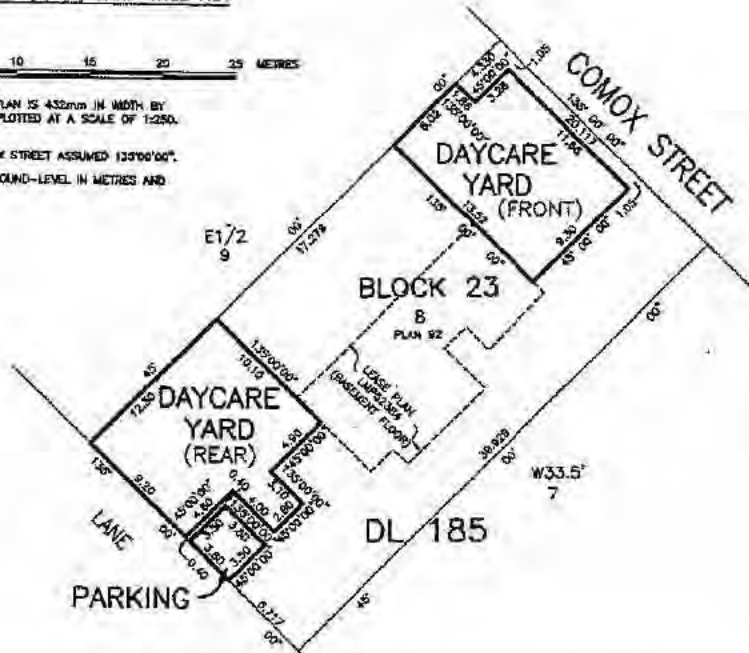
BCGS 926.025

0 5 10 15 20 25 METRES

THE INTENDED PLOT SIZE OF THIS PLAN IS 432mm IN WIDTH BY
230mm IN HEIGHT (B SIZE) WHEN PLOTTED AT A SCALE OF 1:250.

BEARINGS ARE DERIVED FROM COMOX STREET ASSUMED 133°00'00".

ALL DISTANCES ARE HORIZONTAL GROUND-LEVEL IN METRES AND
DECIMALS THEREOF.



BOOK OF REFERENCE

DAYCARE YARD (FRONT)	AREA = 119.6m ²
DAYCARE YARD (REAR)	AREA = 128.9m ²
PARKING	AREA = 13.3m ²
TOTAL	AREA = 261.8m ²

THIS PLAN WAS COMPLETED AND CHECKED, AND THE CHECKLIST
FILED UNDER #121917, ON THE 5TH DAY OF APRIL, 2011 AND IS
HEREBY CERTIFIED CORRECT IN ACCORDANCE WITH LAND TITLE
OFFICE RECORDS.

James E. Gregson
JAMES E. GREGSON, B.C.L.S.

CITY OF VANCOUVER (2011) 413-7134

LE24746

END OF DOCUMENT

Schedule "B"
Plan of Easement Area

DATED as of the 30 day of May, 2014

BETWEEN: KENGANEY INVESMENTS INC
3702 Marine Ave.
Delcarra, BC V3H-4R8
(the "Lessor")

AND: RIDE CYCLE CLUB LTD
1728 Glen Drive
Vancouver, BC V6A-4L5
(the "Lessee")

LEASE

PREMISES: 881 Hamilton Street, Vancouver, BC
TERM: 10 years
EXPIRY DATE: AUGUST 31, 2024
MONTHLY RENT: Year 1-3 ~~\$ 17(1)~~sq/Ft ~~\$ 17(1)~~ per month + GST)
Year 4-6 ~~\$ 17(1)~~Sq/Ft ~~\$ 17(1)~~ per month + GST)
Year 7-10 ~~\$ 17(1)~~Sq/Ft ~~\$ 17(1)~~ per month + GST)

WITNESSETH that in consideration of the Rents, Covenants, Conditions and Agreements hereinafter

respectively reserved and contained:

1. The said Lessor doth demise and lease unto the said Lessee, comprising of approximately 2,750 sq/ft of the Building (the "Building") situated on those certain lands and premises (the "Lands") at 881 Hamilton Street in the City of Vancouver, in the Province of British Columbia and legally described as:
PID: 015-458-857/015-458-873
Lot 22 Block 66 District Lot 541 Plan VAP 210

and comprising approximately 2,750 sq.ft. as shown outlined on the plan attached hereto and made up of the measured area plus tenant's proportionate share of the common areas as shown in Schedule "A" (hereinafter called the "Premises").

Blw

1 M.S.

2. The Lessee shall have and hold the Premises from the 1st day of September, 2014 (the "Commencement Date") until the 31st day of August, 2024 (the "Expiration Date")
3. **YIELDING AND PAYING THEREFOR** as rent during the term unto the Lessor without deductions, set-off or abatement, in lawful money of Canada, payable at the office of the Lessor at the address hereinbefore mentioned or at such other place as the Lessor may direct in writing from time to time:
 - (a) a minimum rent (the "Minimum Rent") in respect of the Premises during each month of the Term herein granted, on the following basis:
 - (i) the sum of **s. 17(1)** on the first day of September, 2014 and every month thereafter up to and including the first day of August, 2017
 - (ii) the sum of **s. 17(1)** on the first day of September 2017 and every month thereafter up to and including the first day of August, 2020
 - (iii) the sum of **s. 17(1)** on the first day of September, 2020 and every month thereafter up to and including the first day of August, 2024
 - (b) a rent deposit in the amount of **s. 17(1)** inclusive of GST on execution of this Lease to be applied to Minimum Rent and Additional Rent as it comes due (the "Rent Deposit"). The Lessor acknowledges receipt of the sum of **s. 17(1)** paid to the Lessor;
 - (c) Interest on Minimum Rent and Additional Rent (which shall be defined as amounts payable by the Lessee to the Lessor hereunder other than the Minimum Rent in subparagraph 3(a) outstanding for more than 30 days at the rate of 1% per month from the due date until paid;
 - (d) the Lessee's Proportionate Share of the Operating Expenses (defined in paragraph 6) in connection with the Premises, as hereinafter provided; and
 - (e) Goods and Services Tax at prescribed rates which shall be paid on any date for payment of the Minimum Rent or Additional Rent herein (together, the "Rent").
4. For the purposes of this Lease the term "Proportionate Share" shall mean, when used in connection with expenses, that ratio which the net rentable square feet of Premises leased to the Lessee bears to the net rentable square feet of the Building whether rented or not.
5. The Lessee agrees to pay as Additional Rent its Proportionate Share of the Operating Expenses from the 1 day of September, 2014. The Lessee's Operating Expenses shall be paid monthly in accordance with the reasonable forward estimate thereof made by the Lessor and shall be adjusted at least once (or more often at the discretion of the Lessor) in each year during the Term, on the basis of actual Operating Expenses experienced during the period to which the adjustments relate. The certificate of an independent chartered accountant (the "Accountant") appointed by the Lessor shall, in the event of dispute, be conclusive and binding on the Lessor and the Lessee as to any amounts payable under this paragraph and the costs of providing the Accountant's certificate shall be borne equally by the Lessor and the Lessee. The Lessor shall provide to the Lessee, within five days of a written request for the same by the Lessee, the Accountant's certificate.
6. Except as otherwise provided herein, or as set out in Schedule B, for the purpose of this Lease the term "Operating Expenses" shall mean and include all expenses incurred in connection with the operation, maintenance and repairs of the Premises, and any improvements on the Lands, connecting the Premises with the public streets and without restricting the generality of the foregoing shall include:

BW

11/2

- (a) all outgoing expenses in connection with the Premises, including cleaning glass;
 - (b) real property taxes and water rates, special taxes, licenses and certificates in respect of the Premises;
 - (c) insurance premiums for fire, casualty for replacement cost and liability (not less than \$2.0 million) and business interruption insurance all in respect of the Lands and Building;
 - (d) snow removal, garbage removal, landscape maintenance and common area maintenance;
 - (e) the Lessor's solicitor's own client costs for enforcing any provision under this Lease or disputing any notice or assessment under this Lease at the Lessee's request, except in the case that the Lessee is the prevailing party in connection with an enforcement action, claim or dispute in which event the Lessee shall not be responsible for paying the Lessor's costs but rather shall be entitled to recover the Lessee's legal costs on the same basis and in addition to any other remedy available to the Lessee may set off such amounts against rent otherwise payable under this lease;
 - (f) electricity, gas, telephone rates and business licenses in connection with the Premises not otherwise billed directly to the Lessee;
 - (g) accounting and administration costs of the Landlord actually incurred directly or otherwise by the Landlord in so far as they are directly attributable to the Lessee,
 - (h) management of the Building of which, the Lessee's Proportionate Share of the annual cost shall be 5% of the Minimum and Additional Rent received by the Lessor from the Premises.
 - (i) An annual contribution of ~~\$1700~~ towards the cost of a new roof.
7. The Lessee covenants and agrees to pay any and all costs incurred in executing and registering this Lease if permitted as provided hereunder. The Lessee covenants and agrees with the Lessor that the Lessee will not register this Lease without the Lessor's written consent which consent may not be unreasonably withheld or delayed.
8. All alterations, additions, decorations and improvements made by the Lessee to the Premises, other than the Lessee's machinery, tools, interconnect cabling and trade fixtures, shall immediately become the property of the Lessor without compensation therefor to the Lessee and shall not be removed from the Premises either during or at the end or sooner determination of the Term except that:
- (a) the Lessee may, if not in default, remove its trade fixtures, machinery, interconnect cabling and tools;
 - (b) the Lessee shall, at the end or sooner determination of the Term, remove such of the trade fixtures, alterations, additions, decorations and improvements as the Lessor may require; and
 - (c) in the case of every such removal, the Lessee shall repair any damage to the Premises caused by the installation and removal of any such trade fixtures, alterations, additions, decorations and improvements, and the cost of all such removals and repairs shall be borne by the Lessee.
9. The Lessee covenants and agrees at any time and from time to time, upon not less than 10 days prior notice, to execute and deliver to the Lessor or such other person or corporation that the Lessor directs, a written statement (the "Certificate") certifying that this Lease is in full force and effect and unmodified (or if modified, specifying the modifications), the amount of the annual rental the being paid hereunder, whether or not any prepayments

BW
MS

have been made hereunder, and if so details thereof, the dates to which other levies or charges hereunder have been paid, and whether or not there is any existing default on the part of the Lessor of which the Lessee has notice. The Lessor shall provide to the Lessee the draft form of the Certificate and the Lessor and Lessee shall each bear their own costs in preparing and providing the Certificate.

10. The Lease and all of the rights of the Lessee herein are and shall at all times be subject and subordinate to any and all mortgages, trust deeds and debentures, now or hereafter in force or registered against the Premises and improvements thereto, and all renewals, extensions and modifications thereof and all advances of money made thereunder. The Lessee covenants to execute in registerable form immediately on request from time to time, any assurances that the Lessor may require to confirm this subordination, and will if requested attorn Lessee to the holder of any such mortgages, trust deeds and debentures, PROVIDED HOWEVER, the Lessee shall not be required to execute any subordination agreements unless such holder acknowledges this Lease and agrees to accept the Lessee as tenant on the same terms as this Lease and to enter into a non-disturbance agreement with the Lessee in the event of foreclosure of the Lessor's interest in the Premises.
11. In case the Premises or any part thereof shall at any time during the said Term be burned down or damaged by fire so as to render the same unfit for the purpose of the Lessee, the Rent hereby reserved or a proportionate part thereof according to the nature and extent of the damage sustained, shall be suspended and abated until the Premises shall have been rebuilt or made fit for the purposes of the Lessee. In the event the Premises or any part thereof shall at any time during the said Term be burned down or are damaged by fire, earthquake, water, flood or terrorism that, in the opinion of either the Lessor or the Lessee, acting reasonably upon the advice of its architect, same cannot be restored to a condition acceptable to the Lessee within 120 days from the happening of such damage or destruction, either party may give a notice in writing to the other of its intention to terminate this Lease, and this Lease shall thereupon be terminated and all the Lessee's liability hereunder shall cease as of the day following such damage and the Lessee shall be entitled to be repaid any Rent or Operating Expenses paid in advance for the balance of the period so paid for in advance.
12. The Lessee shall not commence or make any changes, alterations or improvements to the Premises without first receiving the Lessor's written approval, such approval not to be unreasonably withheld or delayed.
13. If the Lessee is not then in default under any material term, condition or provision of this Lease, the Lessor shall, at the expiration of the said Term, upon receiving written notice from the Lessee at least six (6) months prior to the expiration of the said Term, grant to the Lessee renewal leases for the Premises for (1) further term of 5 years on the same terms and conditions as the Lease except as to the amount of any inducements or Landlord's Work and except as to the amount of Minimum Rent which is to be based on fair market rent for the Premises as they exist at that time, as comparable with the premises of a similar size, quality, improvements and location at the time of review (the "Time of Review" is the two month period preceding the third anniversary of the Term), as negotiated between the parties during the Time of Review. In the event the Lessor and the Lessee do not agree as to fair market rent during the Time of Review, the rent shall be set by arbitration under the provisions of the Commercial Arbitration Act S.B.C. 1996, c.55 as amended, and the cost of such arbitration shall be borne equally by the Lessor and Lessee.

BW

M/S

14. Except in accordance with paragraph 21, the said Lessee covenants with the said Lessor as follows:

- (a) to pay rent as and when due;
- (b) to repair damage to the Premises caused by the Lessee, reasonable wear and tear and damage by fire, lightning, tempest, snow, rain, earthquake, and other acts of God excepted;
- (c) to give to the Lessor or his agent immediate notice of any defect in water, gas or other pipes or fixtures, heating apparatus, elevator, hoist, machinery or telephone, electric or other wires or fixtures;
- (d) that the Lessor may, upon providing to the Lessee at least 24 hours notice, enter and view the state of repair of the Premises and that the Lessee will repair according to notice, reasonable wear and tear and damage by fire excepted;
- (e) to leave the Premises in good repair, reasonable wear and tear and damage by fire, lightning, tempest, snow, rain, earthquake, and other acts of God excepted;
- (f) to keep and leave whole and in good order, reasonable wear and tear excepted, all water, gas and electric fixtures, glass, pipes, faucets, locks, fastenings, hinges, window shades, sash cords, heating and cooling apparatus under the control of any used by the Lessee and to keep and leave all brass, copper and other metals and all windows, in, on or attached to the Premises clean and polished;
- (g) not to assign without consent from the Lessor, such consent not to be unreasonably withheld or delayed;
- (h) not to sublet without consent from the Lessor, such consent not to be unreasonably withheld or delayed;
- (i) not to use the Premises nor allow the Premises to be used for any other purpose than that for which the Premises are hereby leased, namely production, post production, generic office, or such other purposes permitted by applicable zoning bylaws of the City of Vancouver;
- (j) not to carry on nor do, nor allow to be carried on or done on the Premises any work, business, occupation, act or thing whatever which may be or become a nuisance or annoyance to the Lessor, the public or any other occupant of the said Building or which may increase the hazard of fire or liability of any kind or which may increase the premium rate of insurance against loss by fire or liability upon the said Building or the Premises or invalidate any policy of insurance of any kind upon or in respect of same or which may cause or result in excessive use or waste of water or increase the amount of water rates payable in respect of the said Building or the Premises;
- (k) not to drive nails or screws into nor drill into nor cut, mark nor in any way deface any part of the Premises, provided that the Lessee shall without obtaining consent from the Lessor be entitled to decorate and to make those alterations to the Premises that do not require a permit, and provided that reasonable wear and tear shall be excepted;
- (l) not to make any alterations in the structure, plan or partitioning of the Premises nor install any plumbing, piping, wiring or heating apparatus without the written permission of the Lessor or his agents first had and obtained, such permission not to be unreasonably withheld or delayed;
- (m) to indemnify and save harmless the Lessor from and against all and all manner of claims for liens for wages or materials, or for damage to persons or property caused during the making of or in connection with any repairs, alterations, installations and additions which the Lessee shall make or cause to be made on the Premises;

30

M/S

- (n) to allow the Lessor to post and to keep on the Premises any notice that the Lessor may desire to post under provisions of the *Builders Lien Act*;
- (o) to erect, place, use or keep in or upon the Premises only such shades, window blinds, awnings, projections, signs, advertisements, lettering, devices, notices, painting or decoration as are first approved in writing by the Lessor, such approval not to be unreasonably withheld or delayed, and upon the expiration or determination of this Lease to remove the same if required to do so by the Lessor;
- (p) to indemnify and save harmless the Lessor from and against any and all manner of actions or causes of action, damages, loss, costs or expenses which he may sustain, incur or be put to by reason of any advertising signs erected by the Lessee upon, over, projecting from or above the said Building or the Premises, and will pay the premiums charged upon any bond of indemnity or liability insurance policy in respect of such signs issued upon the demand of civic, municipal or other authorities, provided always that the Lessor shall from time to time and at all times hereafter be at liberty to examine the said signs, and that the Lessee will repair or strengthen the same upon notice from the Lessor, and if the Lessee shall fail to comply with such notice, the Lessor shall be at liberty to repair or strengthen the said signs, and the reasonable costs, charges and expense of so doing shall be forthwith paid by the Lessee to the Lessor provided the Lessor provides the Lessee the notice, all invoices and evidence that such invoices have been paid in full by the Lessor, but the giving of such notice and the undertaking of such repairs or strengthening by the Lessor shall not be deemed an acknowledgement or admission of any liability or responsibility on the part of the Lessor;
- (q) not to cover nor obstruct the glass doors, partitions, transoms, windows, lights and skylights which reflect or admit light into any passageway or other place in the said Building without prior consent of the Lessor, such consent not to be unreasonably withheld or delayed;
- (r) not to bring into or upon the Premises any safe, motor, machinery or other heavy articles without the consent of the Lessor in writing first had and obtained, such consent not to be unreasonably withheld or delayed, and to immediately make good any damage done to any part of the Building or Premises by bringing in or taking away the same;
- (s) to provide receptacles for refuse and rubbish of all kinds in respect of the Premises, and not to keep nor leave any boxes, packing material or rubbish of any kind in or near the Premises or any passages connected with the same;
- (t) to observe, obey and conform to and cause his employees to observe, obey and conform to all reasonable rules and regulations from time to time made by the Lessor with regard to the management, use or occupation of the said Building and the Premises, a current copy of such rules and regulations being attached hereto as schedule C;
- (u) to comply promptly at his own expense with all laws, ordinances, regulations, requirements and recommendations of any and all dominion, provincial, civic, municipal and other authorities, or association of fire insurance underwriters or agents and all notices in pursuance of same whether served upon the Lessor or the Lessee, and will indemnify and save harmless the Lessor from and against all and all manner of actions or causes of action, damages, loss, costs or expenses, which he may sustain, incur or be put to by reason of any neglect of same or noncompliance

70 M.S

- (v) therewith or by reason of any defect, deficiency, disrepair, depreciation, damage or change in or to the Premises, or any injury or damage to any person or to any goods and chattels contained in or upon the Premises, however caused except to the extent any of the foregoing is caused by the acts or negligence of the Lessor or others for whom the Lessor is responsible at law;
- (w) to allow notices "For Sale" or "For Lease" to be put and remain on the Premises in a conspicuous position during the 2 months prior to the expiration of this Lease and to allow prospective purchasers or tenants to enter and inspect the Premises on week days during the said 2 months upon reasonable notice to the Lessee by the Lessor; and
- (x) at the expiration or sooner determination of this Lease to peaceably surrender and give up possession of the Premises within 90 days of written notice from the Lessor, any right to notice to quit or vacate being hereby expressly waived by the Lessee, any law, usage or custom to the contrary notwithstanding.

15. It is agreed that:

- (a) the whole contract and agreement between the parties hereto is set forth herein and in the Offer to Lease dated December 22, 2014, the terms of which are incorporated into this Lease, and the Lessee has leased the Premises after examining the same, that no representations, warranties or conditions have been made other than those expressed or implied herein, and that no agreement collateral hereto shall be binding upon the Lessor unless it be made in writing and signed by the Lessor;
- (b) no waiver or neglect to enforce the right to forfeiture of this Lease or the right of re-entry upon breach of any covenant, condition or agreement herein contained shall be deemed a waiver of such rights upon any subsequent breach of the same or any other covenant, condition or agreement herein contained;
- (c) any notice to be served hereunder shall be deemed to be sufficiently served on the Lessee if it is:
 - (i) sent by commercial courier, delivery confirmation having been received; and
 - (ii) mailed to the registered office for the Lessee;
- (d) if the Lessor shall be unable to deliver possession of the Premises on the Commencement Date of the said Term, the Lessee shall only be liable for Rent at the rate hereby reserved from such time as the Lessor shall be able to deliver possession of the Premises and the Expiry Date shall not be changed by reason of the delay, provided always that the Lessee shall have the right to terminate this Lease without payment or penalty if the Lessor does not deliver vacant possession of the Premises within 30 days of the Commencement Date, provided that the Lessor shall compensate the Lessee for the difference between:
 - (i) the total charges by the Lessee in order to rent alternative premises; and
 - (ii) the Rent payable pursuant to the terms of this Lease;
- (e) the Lessor shall not be responsible for any defect in or change of conditions affecting the Premises, nor for any damage to the Premises or to any person or to merchandise, good, chattels, machinery or equipment contained therein except where any of the

20
12/15

foregoing is caused by the acts or the negligence of the Lessor or others for whom the Lessor is responsible at law

- (f) the Lessor shall not be responsible for or in regard to the sufficiency or insufficiency of any safe or vault used by the Lessor to withstand fire, burglars or thieves, and that the use of such safe or vault is accepted by the Lessee at his own risk and without any recourse whatever against the Lessor for or on account of any loss or damage which may occur in any manner of or to any money, securities, valuables, books, papers or other property which may be placed therein by the Lessee;
- (g) the Lessor shall repair any defect in water, gas or other pipes or fixtures, heating apparatus, elevator, hoist, machinery or telephone, electric or other wires or fixtures in the Building of which the Lessor becomes aware by reason of notice by the Lessee or otherwise;
- (h) the Lessor shall not be responsible for any loss, damage or expense caused by any overflow or leakage of water from any part of the said Building, or any adjoining buildings, occasioned by the use, misuse or abuse of water or by the breaking or bursting of any pipes or plumbing fixtures, or in any other manner or by seepage from adjoin lands or premises or by any accident or misadventure to or arising from the use and operation of machinery, elevator, heating apparatus, electric wiring and appliances, gas or other pipes and appliances or any fixtures or by reason of any structural defects in the Building or Premises or by any other matter or thing whatsoever except where any of the foregoing is caused by the acts or negligence of the Lessor or others for whom the Lessor is responsible at law;
- (i) the Lessor shall supply water and other utilities to the Premises for the normal and reasonable requirements of the Lessee and at the Lessee's expense without, in any case, being liable for any loss, damage or inconvenience resulting from the failure of the supply of utilities to the Building except to the extent any of the foregoing is caused by the acts of negligence of the Lessor or others for whom the Lessor is responsible at law. In any event, if the failure by the Lessor to supply water and other utilities to the Premises shall continue more than 3 days then Rent shall be abate until the supply of water and other utilities to the Premises have been fully restored.
- (j) in the event of the said Building or the Premises being condemned in whole or in part because of the unsafe condition thereof, this Lease shall cease and determine upon the date of such condemnation, and the Lessor shall not be responsible for any loss, damages or expense which the Lessee may suffer or incur by reason of the same except to the extent any of the foregoing is caused by the acts or negligence of the Lessor or others for whom the Lessor is at law responsible, provided always that the Lessee shall be entitled to the reimbursement of any prepaid Rent and Operating Expenses in the event the lease is so terminated;
- (k) any yard, passage, alley or area connected with the said Building is for the use of all the occupants of the said building and that the Lessee will not obstruct nor hinder the use of the same by other occupants of the said Building and their employees, agents and customers and the the Lessee will not do anything that would cause such yards, passages, alleys or other areas to become unclean or unsanitary;
- (l) the Lessor shall have the right at any time during the said Term to repair, remodel, alter, improve or add to the Premises or the whole or any part of the Building of which the Premises form a part or to change the location of the entrance or entrances to the said Building and the Premises (the "Works"), provided the Works do not

BW

M.S

- (m) change the nature or character of the Building, without compensation or responsibility to the Lessee and for such purposes, if necessary, to enter into, pass through, work upon and attach scaffolds or other temporary structures to the Premises, putting the Lessee to no unnecessary inconvenience and provided always that in doing the Works;
 - (i) the Lessor shall not interrupt the Lessee's use and enjoyment of the Premises for any longer than reasonably required to do the Works
 - (ii) the Lessor shall not move, alter or cover the lessee's signage;
 - (iii) Lessor shall first provide the Lessee with reasonable notice of the intended Works;
 - (iv) in the event that all or a portion of the Premises is restricted, the Rent shall abate in the same proportion as such unusable area of the Premises bears to the total area of the same Premises and such abatement shall continue until such useable area of the Premises is capable of use by the Lessee;
 - (v) the Lessor shall cause its contractors, workers and others to take all reasonable steps in order to minimize the disruption of the Lessee's business operations, such steps to include but not limited to scheduling performance of the Work at times which are convenient to the Lessee;
- (n) any rights or privileges which may accrue or enure to or for the benefit of the Lessor by virtue of any law governing the relations of landlord and tenant not specifically mentioned herein and not inconsistent with the terms and conditions hereof and all rights of enforcement of same shall be deemed to be hereby reserved to and claimed by the Lessor;
- (o) if the Lessor shall suffer or incur any damage, loss or expense or be obliged to make any payment for which the Lessee is liable hereunder by reason of any failure of the Lessee to observe and comply with any of the covenants of the Lessee herein contained then the Lessor shall have the right to add the cost or amount of any such damage, loss, expense or payment to the Rent hereby reserved, and any such amount shall thereupon immediately be due and payable as Rent and recoverable in the manner provided by law for the recovery of rent in arrear, provided always that the costs are reasonable, the Lessor provides evidence of payment of such costs and the Lessee does not in good faith dispute its liability for such costs;
- (p) whensoever the Lessor shall be entitled to levy distress against the goods and chattels of the Lessee he may use such force as he may deem reasonably necessary for that purpose and for gaining admittance to the Premises without being liable to any action in respect thereof, or for any loss or damage occasioned thereby and the Lessee hereby expressly releases the Lessor from all actions, proceedings, claims or demands whatsoever for or on account of or in respect of any such forcible entry or any loss or damage sustained by the Lessee in connection therewith;
- (q) in case the Lessee shall become insolvent or bankrupt or make an assignment for the benefit of creditors, or being an incorporated company proceedings be begun to wind up the said company, or in case of the non-payment of Rent at the times herein provided, or in case the Premises or any part thereof become vacant and unoccupied for a period of 30 days or be used by any other person or persons, or for any other purpose than as hereinbefore provided, without written consent of the Lessor, such consent not to be unreasonably withheld or delayed, this Lease shall, at the option of the Lessor, cease and be void, and the term hereby created expire and be at an end,

BW
1/15

anything hereinbefore to the contrary notwithstanding, and the then current month's rent and three additional month's Rent shall thereupon immediately become due and payable, and the Lessor may re-enter and take possession of the Premises as though the Lessee or his servants or other occupant or occupants of the Premises were over after the expiration of the said Term, and the Term shall be forfeited and void;

- (r) if the Lessee shall hold over and the Lessor shall accept Rent after the expiration of the said Term, the new tenancy thereby created shall be a tenancy from month to month and not a tenancy from year to year and shall be subject to the covenants and conditions herein contained so far as the same are applicable to a tenancy from month to month;
- (s) if the Lessor shall deliver the Rent Deposit to any purchaser of the Building and Lands, the Lessor shall ensure that the said purchaser is bound to hold the Rent Deposit on the same terms and conditions as under this Lease;
- (t) any additional covenants, conditions or agreements set forth in writing and attached hereto whether at the commencement of the said Term or at any subsequent time and signed or initialed by the parties hereto shall be read and construed together with and as part of this Lease, provided always that when the same shall be at variance with any printed clause in this Lease, such additional covenants, conditions and agreements shall be deemed to supersede such printed clause;
- (u) all grants, covenants, conditions, provisos, agreements, rights, powers, privileges and liabilities contained herein shall be read and construed as granted to, made and reserved by, imposed upon and undertaken by the parties hereto and their respective heirs, executors, administrators, successors and assigns and that whatever the singular or the masculine pronoun is used the same shall be construed as meaning the plural or feminine or the body politic or corporate where the circumstances so require and that the Lessor may perform any act hereunder in person or by and through an agent;
- (v) the Premises will be delivered in substantially the same condition as when viewed by the Lessee on November 21, 2013 and the Lessor will prior to the commencement of the Lease repair in a good and workmanlike manner any damage caused by the former lessee of the Premises;

16. The Lessee shall submit to the Lessor working drawings of the proposed Lessee improvements to the Premises (the "Tenant's Work") outlined in Schedule "E" attached hereto, which drawings must be approved by the Lessor prior to commencement of any such work and provided such work is done by qualified and licensed contractors or sub-contractors of whom the Lessor shall have approved, such approval not to be unreasonably withheld or delayed.

17. The Lessee shall secure all necessary building permits and approvals required by the City of Vancouver for all of the Tenant's Work. Such permits and approvals must be secured and copies provided to the Lessor before any Tenant's Work shall commence.

18. The Lessee shall be provided entry and permitted to carry out the construction of the Tenant's Work in the Premises prior to the Commencement Date provided the Lessee shall comply and abide by all the terms and conditions of this Lease, save and except for the payment of Rent, Operating Expenses and taxes and provided further, the Lessee shall have executed this Lease.

RW
MS

19. The Lessor shall throughout the Term of the Lease and any renewal term thereafter at no cost to the Lessee, provide to the Lessee for use by the Lessee and its employees, suppliers, agents, contractors, workers, consultants, customers and invitees 1 parking stall clearly defined with signage.

20. During the Term of the Lease and any renewal term thereafter, the Lessee shall be permitted to install and prominently display:

(a) on the façade of the building subject to City of Vancouver By-laws.

(b) on the Premises entry door

(c) logo and/or name of the Lessee on the exterior west wall of the building to the extent possible permitted by the City of Vancouver By-Laws and approved by the Lessee;

its full company name as well as any trade names that it may use from time to time, such trade names to include but not be limited to "Ride Cycle Club".

21. The Lessor covenants with the Lessee for quiet enjoyment.

22. If during the Term of the Lease or any renewal thereof the Lessor receives notice that, any portion of the building will become vacant (the "Vacant Space"), the Lessor shall immediately provide notice of such vacancy to the Lessee (the "Lessor Notice"). Provided that the Lessee, within 60 days of receipt of the Lessor Notice, provide notice to the Lessor that it intends to occupy the Vacant Space (the "Lessee Notice"), the Lessor and the Lessee shall enter into a lease respecting the Vacant Space on terms similar to the terms of this Lease, provided that the Minimum Rent payable for the Vacant Space shall be agreed upon by the parties and shall be based upon the fair market rent for the Vacant Space as comparable with the premises of a similar size, quality, and improvements. Such Minimum rent not to exceed the average Minimum Rent paid by all other tenants of the building. If the Lessor and the Lessee are unable to agree on the fair market rent within 60 days of the date on which the Lessor receives the Lessee Notice, the Minimum Rent for the Vacant Space shall be set by arbitration under the provisions of the Commercial Arbitration Act, S.B.C. 1996, c.55.

23. The Lessor represents and warrants that the roof of the Building, HVAC, electrical and water system are all in good repair.

24. Notwithstanding anything in this Lease to the contrary, the Lessee shall be responsible only for matters arising in respect of its actions and use of the Premises during the term of this Lease and without limitation, the Lessee shall not be responsible for nor shall it have any obligation or liability in respect of any breach, failure or non-compliance by or in respect of any prior lessee, tenant or occupant of the Premises or the building with respect to any laws, ordinances, bylaws, regulations, requirements or recommendations of any and all dominion, provincial, civic, municipal or other authorities, or association of fire insurance underwriters or agents.

BW

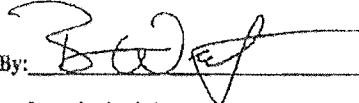
M/S

25. Upon the expiry of the Lease or any renewal, the Lessee shall have the right to display a conspicuous sign displaying their forwarding address for a period of not less than 6 months.
26. The Lessee shall have the right during the Lease or any renewal to install in or on the Building an external drop box for courier packages.
27. No later than 7 days after the date of signing of this lease, the Lessor shall at its sole cost supply a full set of keys and other means of access to the building, common areas (including mail boxes, utility rooms, and garbage disposal), the premises and designated parking space.
28. Notwithstanding any other provisions to the contrary in this Lease, the Lessee shall have the right at any time to offset and deduct from Rent any moneys owed at any time by the Lessor to the Lessee.


BW MS

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals, the day and year first above written.

KENGANEY INVESTMENTS INC.

By: 
Its authorized signatory

RIDE CYCLE CLUB LTD.


By: _____
Its authorized signatory

SCHEDULE B

EXCLUSIONS FROM COSTS OF MAINTENANCE AND OPERATION OF COMMON AREAS AND FACILITIES AND THE BUILDING, OR ADDITIONAL RENT

Notwithstanding the foregoing or any other provisions of this Lease, the following costs and expenses shall be excluded from those for which the Lessee is required to pay its Proportionate Share:

- (a) Any costs or expense to the extent to which the Lessor is paid or reimbursed from any person (other than for tenants of the Building paying for their respective proportionate shares thereof) including, but not necessarily limited to (1) work or services performed for any tenant (including the Lessee) at such tenant's cost, (2) the cost of any item for which the Lessor is or is entitled to be paid or reimbursed by insurance, (3) increased insurance or real estate taxes assessed specifically to any tenant of the Building, (4) charges other than utilities for which the Lessor is entitled to reimbursement from any tenant, and (5) the costs of any heating, ventilating, air conditioning, janitorial or other services provided to tenants on an extra-cost basis after regular business hours;
- (b) The cost of structural repairs to the Building;
- (c) Salaries and bonuses of officers and executives of the Lessor;
- (d) The cost of any work or service performed on an extra-cost basis for any tenant of the Building to a materially greater extent or in a materially more favorable manner than furnished generally to the tenants and other occupants;
- (e) The cost of any work or services performed for any facility other than the Building;
- (f) Interest on debt or amortization payments on any mortgage and rental under any ground lease or other underlying lease;
- (g) Any fees, costs and commissions incurred in procuring or attempting to procure other tenants including, but not necessarily limited to, brokerage commissions, finder's fees, lawyer's fees, entertainment costs and travel expenses;
- (h) Any costs representing an amount paid to a person, firm, corporation or other entity related to the Lessor which is in excess of the amount which would have been paid in the absence of such relationship;
- (i) Any cost of painting or decorating any interior parts of the Building other than Common Areas and Facilities;
- (j) Income Tax payable by the Lessor under Part I of the *Income Tax Act*, R.S.C.1985 (5th Supp), c.1 as it existed on the Commencement Date;
- (k) The Lessors general overhead attributable to the activities of the Lessors officers and executives;

BW
MS

(l) Lawyers fees, accounting fees, and expenditures incurred in connection with negotiations, disputes and claims of other tenants or occupants of the Building or with other third parties except as specifically otherwise provided in the Lease; and

(m) The cost of acquiring sculptures, paintings and other objects of art;

(n) Any costs to the Lessor to repair the roof of the Building , the HVAC or the electrical or water systems during the last year of the term of the Lease or during any renewal thereof.

(o) repair to the electrical or water systems of the building other than within the premises

BW MS -

Schedule C

Rules and Regulations

No Rules and Regulations

Schedule D

Landlord's Work

As outlined in the "Offer to Lease"

Repair of the front entry door, painting of upper west wall of building and demolition.

If required by the City of Vancouver, the installation of a fire rated wall between the premises and the other main floor premises.

If required by the City of Vancouver, the installation of a new rear exit door.

Schedule E

Tenant's Improvement

No Details Supplied

BW M.S.

LEASE AMENDING AGREEMENT

THIS AGREEMENT is made as of the 10 day of June, 2021.

BETWEEN:

CITY OF VANCOUVER

(the “**Landlord**”)

AND:

RIDE CYCLE CLUB LTD.

(the “**Tenant**”)

WHEREAS:

- A. By a lease dated May 30, 2014 (the “**Lease**”), between Kenganey Investments Inc. (the “**Original Landlord**”) leased to the Tenant certain premises known as 881 Hamilton Street, Vancouver (the “**Premises**”), located within the containing an area of 2,750 square feet, for a term expiring August 31, 2024 (the “**Term**”).
- B. The Landlord succeeded to the interest of the Original Landlord in and to the Premises and Building, as defined in the Lease.

NOW THEREFORE in consideration of consideration of the premises, the sum of \$1.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties covenant and agree with each other as follows:

- 1. The Landlord and the Tenant acknowledge, confirm and agree that the foregoing recitals are true.
- 2. The Landlord and Tenant hereby acknowledge and agree that the Landlord has replaced the heating, ventilation and air conditioning (“HVAC”) exclusively servicing the Premises on behalf of the Tenant, the full cost of which, as outlined in Schedule “A” hereto, shall be amortized over the remainder of the Term and payable in full by the Tenant.
- 3. The Tenant shall make equal monthly installments in the amounts and dates set forth below:

November 1, 2021:	\$ s.17(1)
December 1, 2021:	\$
January 1, 2022:	\$
February 1, 2022:	\$
March 1, 2022:	\$

April 1, 2022:	\$s.17(1)
May 1, 2022:	\$
June 1, 2022:	\$
July 1, 2022:	\$
August 1, 2022:	\$
September 1, 2022:	\$
October 1, 2022:	\$
November 1, 2022:	\$
December 1, 2022:	\$
January 1, 2023:	\$
February 1, 2023:	\$
March 1, 2023:	\$
April 1, 2023:	\$
May 1, 2023:	\$
June 1, 2023:	\$
July 1, 2023:	\$
August 1, 2023:	\$
September 1, 2023:	\$
October 1, 2023:	\$
November 1, 2023:	\$
December 1, 2023:	\$
January 1, 2024:	\$
February 1, 2024:	\$
March 1, 2024:	\$
April 1, 2024:	\$
May 1, 2024:	\$
June 1, 2024:	\$
July 1, 2024:	\$
August 1, 2024:	\$

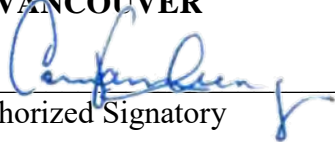
4. To the extent not due and payable earlier pursuant to the terms of this Agreement, the entire unpaid principal amount of the HVAC replacement shall be due and payable upon the Termination of the Lease.
5. The Tenant and Landlord hereby acknowledge and agree that the Tenant has taken possession of the HVAC and shall maintain and keep the HVAC in the same condition and repair as received, and shall be solely responsible for all maintenance, repairs to or replacement of said systems. The Tenant shall enter into a service contract for the HVAC equipment exclusive to the Premises at the Tenant's sole cost with competent, licensed contractors reasonably approved or designated by the Landlord. The Landlord shall have the right, upon at least twenty-four (24) hours prior notice, except in the case of an emergency, to enter the Premises for inspection and if Tenant is not maintaining active operations at the Premises, Landlord shall have the right to obtain maintenance service of equipment that are Tenant's obligations hereunder at a price and schedule as is reasonable and normal within the industry. Tenant shall reimburse Landlord pursuant to the provisions hereof.
6. This Agreement will enure to the benefit of and be binding upon the parties and their respective successors and assigns.

7. This Agreement will be construed and enforced in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.
8. Each of the parties will promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party may reasonably require from time to time for the purpose of giving effect to this Agreement and will use its best efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.
9. If any provision contained in this Agreement or its application to any person or circumstance is held, to any extent, to be invalid or unenforceable, the remainder of this Agreement or the application of such provision to persons or circumstances other than those to which it is held to be invalid or unenforceable will not be affected, and each provision of this Agreement will be separately valid and enforceable to the fullest extent permitted by law.
10. This Agreement may be executed in counterparts and may be executed and delivered by email or other means of electronic transmission and each such counterpart will be deemed to be an original, and all such counterparts together will constitute one and the same instrument.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first written above.

CITY OF VANCOUVER

By: 
Authorized Signatory

RIDE CYCLE CLUB LTD.

By: 
Authorized Signatory

SCHEDULE "A"

Invoice of HVAC Replacement – 881 Hamilton Street



INVOICE 0000022387
DATE 07/23/2021
CUST # 0000036

BILL TO:
 City Of Vancouver - Address Sites
 PO Box 7757 - 349 West Georgia
 Vancouver BC V6B 0L5

SHIP TO:
 881 Hamilton St
 Vancouver BC

P.O. NUMBER	DISPATCH NUMBER
4500608905	71386

DESCRIPTION		QUAN	PRICE EACH	AMOUNT
Manufacturer	Model	Serial #	Type	Mfg Code
Air Ease	A96UH2E110C205-01	5920M1152	FURNAC	
			Warranty	Location
			07/05/2021	Agreement
Authorized by Davinder Singh June 25, 28, 29, 30, July 2, 2021 Approval to proceed with supply and install of (1) 96% 2 stage STD ECM supply motor 110mbtu/h furnace complete with 5 ton cased coil and condensing unit WO# 700349366 - Sourced, ordered and picked up materials - Arrived to site and removed existing furnace and A coil - Capped gas line and arranged for lift - Installed anchors for units - Moved and secured new furnace and coil into place - Cut and folded duct gap filters and dry fitted exhaust piping - Connected natural gas line and flex hose - Installed line set - Installed exhaust venting - Hooked up electrical connections - Pressure tested line set - Charged line set - Duct sealed coil connection to ductwork - Installed T stat - Installed control wire and hooked up to furnace and condenser - Installed condensate drain for cooling coil - Mounted junction box to wall - Insulated suction line - Added supports to top of lineset - Performed start up of unit - Hooked up gauges - Took pressures and temp readings - Took out gas permit				

GST 840953616

DUE ON RECEIPT



INVOICE 0000022387
DATE 07/23/2021
CUST # 0000036

BILL TO:
 City Of Vancouver - Address Sites
 PO Box 7767 - 349 West Georgia
 Vancouver, BC V6B 0L5

SHIP TO:
 881 Hamilton St
 Vancouver BC

R.O. NUMBER	DISPATCH NUMBER
4500608905	71366

DESCRIPTION	QUAN	PRICE EACH	AMOUNT
Tested all aspects of units and verified operation			
Quoted \$13,740.00 + gst			
SUBTOTAL			\$13,740.00
TAX			\$687.00
TOTAL			\$14,427.00

GST #40953616

DUE ON RECEIPT

THIS LEASE is dated as of the 3rd day of February, 2022

BETWEEN:

THE CITY OF VANCOUVER,
a municipal corporation
having offices at
453 West 12th Avenue
Vancouver; British Columbia
V5Y 1V4

("Landlord")

SCANNED

OF THE FIRST PART

and

Easy Grab Easy Go Hamilton Food Ltd.
2907-1009 Expo Blvd.
Vancouver BC. CANADA
V6Z 2V9

("Tenant")

OF THE SECOND PART

BASIC TERMS:

Premises: 883 Hamilton Street, Vancouver, BC
PID: 015-458-857 & 015-458-873
Lot 22, Block 66, District Lot 541, Plan VAP210

Term: Eight (8) Years commencing October 1, 2021

Use:

Rentable Area: Approximately 2,200 square feet

Minimum Rent: Year 1-2: \$~~17(1)~~ per square foot plus GST
Year 3-5: \$ per square foot plus GST
Year 6-8: \$ per square foot plus GST

Operating Costs: Tenant responsible for proportionate share of operating costs

Utilities: Tenant responsible for consumed utilities

Additional Rent: As noted in Lease

TABLE OF CONTENTS

ARTICLE 1 DEFINITIONS

- 1.1 Additional Rent
- 1.2 Adjustment Factor
- 1.3 Alterations
- 1.4 Architect
- 1.5 Authorities
- 1.6 Base Year
- 1.7 City of Vancouver Consumer Price Index
- 1.8 Claims
- 1.9 Common Facilities
- 1.10 Fixturing Period
- 1.11 Gross Revenue
- 1.12 GST
- 1.13 Hazardous Substance
- 1.14 Injury
- 1.15 Jurisdiction
- 1.16 Land Surveyor
- 1.17 Landlord
- 1.18 Laws
- 1.19 Lease
- 1.20 Leasehold Improvements
- 1.21 Minimum Rent
- 1.22 Mortgagee
- 1.23 Opening Date
- 1.24 Operating Costs
- 1.25 Percentage Rent
- 1.26 Person
- 1.27 P.P.S.A.
- 1.28 Premises
- 1.29 Prime Rate
- 1.30 Proportionate Share
- 1.31 Rent
- 1.32 Rentable Area of the Premises
- 1.33 Rental Year
- 1.34 Representations
- 1.35 Retail Leaseable Premises
- 1.36 Retail Space
- 1.37 Rules and Regulations
- 1.38 Sign
- 1.39 Taxes
- 1.40 Tenant
- 1.41 Tenant's Portion of Operating Costs and Taxes
- 1.42 Term
- 1.43 Trade Fixtures
- 1.44 Utilities

ARTICLE 2 INTENT AND INTERPRETATION

- 2.1 Net Lease
- 2.2 Obligations as Covenants
- 2.3 Covenants Survive Termination
- 2.4 Captions and Headings
- 2.5 Extended Meanings
- 2.6 Partial Invalidity
- 2.7 Entire Agreement
- 2.8 Governing Law
- 2.9 Time of the Essence

ARTICLE 3 PREMISES AND TERM

- 3.1 Premises
- 3.2 Use of Common Facilities
- 3.3 Commencement and Ending Date of the Term
- 3.4 Notice and Certificates
- 3.5 Early Occupancy
- 3.6 Delayed Possession
- 3.7 Acceptance of Premises
- 3.8 Tenant's Work

ARTICLE 4 RENT

- 4.1 Covenant to Pay
- 4.2 Minimum Rent and Other Payments
- 4.3 Percentage Rent
- 4.4 Gross Revenue Reports
- 4.5 Tenant's Records
- 4.6 Right to Examine
- 4.7 Audit
- 4.8 Tenant's Failure
- 4.9 Rent Past Due

ARTICLE 5 TAXES

- 5.1 Business Taxes and Other Taxes of Tenant
- 5.2 Tenant's Responsibility
- 5.3 Per Diem Adjustment
- 5.4 Goods and Services Tax

ARTICLE 6 RETAIL SPACE AND COMMON FACILITIES CONTROL AND PAYMENT

- 6.1 Control of Retail Space by Landlord
- 6.2 Tenant to Pay its Portion of Operating Costs and Taxes
- 6.3 Tenant to Pay its Proportionate Share of Costs of Seating in Common Facilities

ARTICLE 7 UTILITIES AND HEATING, VENTILATING AND AIR CONDITIONING

- 7.1 Charges for Utilities
- 7.2 Heating, Ventilating and Air Conditioning

ARTICLE 8 USE OF THE PREMISES

- 8.1 Use of the Premises
- 8.2 Prohibited Activities
- 8.3 Conduct of Business
- 8.4 Observance of Law
- 8.5 Investment Canada Act

ARTICLE 9 INSURANCE AND INDEMNIFICATION

- 9.1 Tenant's Insurance
- 9.2 Increase in Insurance Premiums
- 9.3 Cancellation of Insurance
- 9.4 Loss or Damage
- 9.5 Landlord's Insurance
- 9.6 Indemnification of Landlord

ARTICLE 10 MAINTENANCE, REPAIRS AND ALTERATIONS

- 10.1 Maintenance and Repairs by Tenant
- 10.2 Landlord's Approval of Tenant's Alterations
- 10.3 Maintenance by Landlord
- 10.4 Repair on Notice
- 10.5 Surrender of the Premises
- 10.6 Repair Where Tenant is at Fault
- 10.7 Removal and Restoration by Tenant
- 10.8 Notice by Tenant
- 10.9 Tenant to Discharge all Liens
- 10.10 Signs and Advertising
- 10.11 Pest Extermination

ARTICLE 11 DAMAGE AND DESTRUCTION AND EXPROPRIATION

- 11.1 Destruction of the Premises
- 11.2 Destruction of the Retail Space
- 11.3 Expropriation
- 11.4 Architect's Certificate

ARTICLE 12 ASSIGNMENT, SUBLETTING AND CHANGE OF CONTROL

- 12.1 Assignment
- 12.2 Subleasing
- 12.3 Assignment of Sublease Rent
- 12.4 Mortgage of Lease

- 12.5 Collecting Rent from Transferee
- 12.6 Landlord's Option
- 12.7 Landlord's Consent
- 12.8 No Advertising of Premises
- 12.9 Disposition by Landlord

ARTICLE 13 ACCESS AND ALTERATIONS

- 13.1 Right of Entry

ARTICLE 14 STATUS STATEMENT, ATTORNMENT AND SUBORDINATION

- 14.1 Status Statement
- 14.2 Subordination and Attornment
- 14.3 Execution of Documents
- 14.4 Financial Information

ARTICLE 15 BANKRUPTCY

- 15.1 Bankruptcy

ARTICLE 16 DEFAULT

- 16.1 Breach of Covenants
- 16.2 Right to Relet
- 16.3 Expenses
- 16.4 Distress
- 16.5 Forfeiture
- 16.6 Landlord May Cure Tenant's Default or Perform
Tenant's Covenants
- 16.7 Security Agreement
- 16.8 Charges Collectible as Rent
- 16.9 Failure of Tenant to Carry on Business
- 16.10 Remedies Generally

ARTICLE 17 MISCELLANEOUS

- 17.1 Rules and Regulations
- 17.2 Overholding
- 17.3 Successors
- 17.4 Constitution of Tenant
- 17.5 Waiver
- 17.6 Accord and Satisfaction
- 17.7 Brokerage Commission
- 17.8 No Partnership or Agency
- 17.9 Force Majeure
- 17.10 Notices
- 17.11 Registration
- 17.12 Metric Conversion
- 17.13 Corporate Tenancy

- 17.14 Confidentiality
- 17.15 Quiet Enjoyment
- 17.16 No Parking

Schedule A: Legal Description of the Retail Space

Schedule B: Floor Plan of the Premises

Schedule B1: Additional Provisions

Schedule C: Construction of the Premises

Schedule D: Rules and Regulations

ARTICLE 1 DEFINITIONS

The parties hereto agree that, when used in this Lease, the following words, phrases or expressions have the meaning hereinafter set forth.

Section 1.1 "Additional Rent" (a) means any and all sums of money or charges required to be paid by Tenant under this Lease (except Minimum Rent and Percentage Rent) whether or not designated as "Additional Rent" or whether or not payable to Landlord or to any other Person; (b) is payable by Tenant without any setoff; (c) is due and payable by Tenant (i) when not otherwise provided in this Lease, with the first monthly instalment of Minimum Rent after the Additional Rent begins to accrue, or (ii) if this Lease states that it is payable on demand, then immediately upon such demand being made, or (iii) when otherwise provided to this Lease; (d) may be estimated by Landlord from time to time and such estimated amount is payable in consecutive monthly instalments in advance with annual adjustments; and (e) is deemed to be accruing on a day to day basis. Where the calculation of any additional Rent is not made until after the expiration of this Lease, the obligation of Tenant to pay such Additional Rent shall survive the expiration of this Lease and such Additional Rent shall be paid by Tenant to Landlord on demand.

Section 1.2 "Alterations" means all alterations, adjustments, changes, repairs, renewals, restorations, renovations, rearrangements, relocations, subtractions, reductions, substitutions, deletions, additions, expansions, reconstructions, removals, replacements, modifications, improvements, betterments, installations and decorations, or any one or more of them.

Section 1.3 "Authorities" definition see Section 1.18 hereof.

Section 1.4 "Base Year" means the calendar year in which the Commencement Date occurs; provided however if Tenant is in possession of any portion of the Premises and is using any portion of the Premises for a use permitted in Section 8.1 prior to the Commencement Date, Base Year shall then mean the calendar year in which such permitted use commences.

Section 1.5 "Claims" means claims, losses, actions, suits, proceedings, causes of action, demands, damages (direct, indirect, consequential or otherwise), penalties, judgments, executions, liabilities, responsibilities, costs, charges, payments and expenses including, without limitation, any professional, consultant and legal fees (on a solicitor and own client basis).

Section 1.6 "Common Facilities" means all those lands, buildings, areas, facilities, utilities, improvements, systems, signs, equipment and installations in, upon, forming part of or which serve the Retail Space which, from time to time: (a) are not designated or intended by Landlord to be leased to tenants of the Retail Space; (b) are designated by Landlord to serve or benefit the Retail Space, whether or not (i) located within, adjacent to, or near the Retail Space or (ii) open to the general public; (c) are designated by Landlord as part of the Common Facilities; and (d) are provided or designated (and which are subject to such Alterations provided or designated, from time to time) by Landlord for the use or benefit of the tenants, their

employees, customers and other invitees in common with others entitled to the use or benefit thereof in the manner and for the purposes permitted by this Lease and for the time so permitted by Landlord.

Section 1.7 "Fixturing Period" means the period of time described in Section 3.2 of Schedule "C" hereof.

Section 1.8 "Gross Revenue" means the entire amount of the actual selling price of all sales, rentals, services and other business conducted in, on, at, from or through the Premises (collectively in this definition of Gross Revenue referred to as "in the Premises"), whether wholesale or retail, by Tenant and all Franchisees and Transferees and all departments or divisions of Tenant's business operations in the Premises and any other Person conducting business in the Premises, whether or not such sales or rentals are made or such services are performed or other business is conducted in the Premises or elsewhere, in the same manner and with the same effect as if such sales, rentals, services or other business had been made, performed or conducted in the Premises. Gross Revenue shall be determined as set out in this Section 1.11 despite the use of the Premises set out in Section 8.1 of this Lease. Without limiting the generality of the foregoing, Gross Revenue includes:

- (a) all amounts received for the sale, barter, renting or leasing of goods, wares, merchandise and other items in the Premises;
- (b) the actual selling price of all merchandise sold at more than gross cost to other retailers or to wholesalers;
- (c) all amounts received for services performed or rendered in the Premises;
- (d) the amount of all orders taken or received at the Premises, whether such orders are filled from the Premises or elsewhere;
- (e) all deposits given on merchandise purchased from the Premises and not refunded to purchasers;
- (f) the selling price of all gift certificates;
- (g) all amounts received from all mechanical, vending and other machines or devices (including, without limitation, pay telephones and coinoperated amusement devices) and from all lottery and other ticket sales in the Premises;
- (h) all licence fees and subrent paid to, and all income received by, Tenant for any portion of the Premises upon which Landlord and Tenant have agreed that no Percentage Rent is to be paid;
- (i) all display fees, slotting allowances, promotional considerations, rebates or other payments received by Tenant to stock, promote or advertise any product;
- (j) all sums and credits received by Tenant and settlement of claims by Tenant for the loss or damage to Tenant's merchandise and amounts recovered by Tenant under policies or other contracts of insurance or indemnity in respect of loss of

Tenant's business, sales or profits arising from any fire or other peril or occurrence; and

- (k) all other receipts and receivables whatsoever (including all interest, instalment and finance charges) from all business conducted in the Premises,

in each case whether such sales or other receipts or receivables are evidenced by cheque, cash, credit, charge account, exchange or otherwise and whether such sales are made by means of mechanical or other vending devices in the Premises. There shall be no deduction allowed for bank charges or uncollected or uncollectible credit accounts or charges made by collection agencies and no allowances shall be made for bad debts. In addition, each charge, sale or rental made on instalment or credit shall be treated as a sale or rental for the full selling or rental price in the month during which such charge, sale or rental is made, irrespective of the time when Tenant receives payment (whether full or partial) therefor.

Gross Revenue does not include, or there shall be deducted from Gross Revenue, as the case may be:

- (i) sales of merchandise for which cash has been refunded, but only to the extent of such refund, if the selling price of such merchandise has been previously included in Gross Revenue;
- (ii) the selling price of merchandise returned by customers for exchange, if the selling price of such returned merchandise has been previously included in Gross Revenue and if the selling price of merchandise delivered to the customer in exchange has been included in Gross Revenue;
- (iii) the amount of any tax imposed by any federal, provincial, municipal or other governmental authority directly on sales or rentals or both, and collected from customers at the point of sale or rental by Tenant acting as agent for such authority, as long as the amount thereof is added separately to the selling or rental price and does not form part of the quoted price for the article or service and is actually paid by Tenant to such authority; and
- (iv) any transfers of merchandise between Tenant's stores and returns of merchandise to Tenant's suppliers, as long as any such transfers or returns are carried out for convenience only and not for the purpose of reducing Gross Revenue.

Section 1.9 "GST" definition see Section 5.4 hereof.

Section 1.10 "Hazardous Substance" means (a) any substance which, when released into the Retail Space or any part thereof, or into the natural environment, is likely to cause, at any time, material harm or degradation to the Retail Space or any part thereof, or to the natural environment or material risk to human health, and includes, without limitation, any flammables, corrosives, explosives, reactives, radioactive materials, asbestos, polychlorinated biphenyls (PCBs), chlorofluorocarbons (CFCs), hydrochlorofluorocarbons (HCFCs), urea formaldehyde foam insulation, radon gas, chemicals known to cause cancer or reproductive

toxicity, pollutants, contaminants, hazardous wastes, toxic substances or related materials, petroleum and petroleum products, or (b) any substance declared to be hazardous or toxic under any Laws now or hereafter enacted or promulgated by any Authorities or (c) both (a) and (b).

Section 1.11 "Injury" means bodily injury, personal discomfort, mental anguish, shock, sickness, disease, death, false arrest, detention or imprisonment, malicious prosecution, libel, slander, defamation of character, invasion of privacy, wrongful entry or eviction and discrimination, or any of them, as the case may be.

Section 1.12 "Jurisdiction" means the Province of British Columbia.

Section 1.13 "Land Surveyor" means the accredited land surveyor from time to time retained, chosen or employed by Landlord. The decision of the Land Surveyor whenever required hereunder and any certificate related thereto shall be final and binding on the parties hereto.

Section 1.14 "Landlord" means the first party, and its authorized representative and agents. In any section of this Lease, which contains a release or other exculpatory language in favour of Landlord, the term "Landlord" also means the directors, officers, servants, employees and agents of Landlord, and Landlord, solely for the purpose of any such section, is the agent or trustee of, and for the benefit of, each of them.

Section 1.15 "Laws" means all laws, statutes, regulations, bylaws, rules, declarations, ordinances, requirements and directions of all federal, provincial, municipal, local and other governmental and quasigovernmental authorities, departments, commissions and boards having jurisdiction (collectively, the "Authorities").

Section 1.16 "Lease" means this Lease and any amendments, modifications or additions in writing hereto, and includes any schedules, appendices, riders and other documents, if any, attached hereto, or otherwise intended to form part of this Lease.

Section 1.17 "Leasehold Improvements" means leasehold improvements in, on, to, for or which serve, the Premises, determined according to common law, and includes, without limitation, all fixtures (excluding Tenant's Trade Fixtures), equipment and Alterations from time to time made, constructed, erected, or installed by, for or on behalf of Tenant or any previous occupant of the Premises in, on, to, for or which serve, the Premises, whether or not easily disconnected or movable, including, without limitation, all: (a) partitions, doors, safes, vaults and hardware; (b) mechanical, plumbing, electrical, sprinkler, fire detection, safety, utility, computer, communication, telecommunication, satellite, heating, humidity, ventilating and air conditioning systems, facilities, installations, fixtures, devices, controls, fittings and equipment; (c) carpeting, drapes and other floor, wall, ceiling and window coverings and drapery hardware; (d) light fixtures; (e) storefronts; (f) grill and other security or locking devices securing all or any part of the Premises; (g) counters, cabinets, shelves and built in furniture and furnishings; (h) internal stairways, escalators, elevators and any other transportation equipment or systems; (i) ceilings and ceiling panels; (j) ceiling heaters (suspended or otherwise), electric baseboard heaters, furnaces (whether gas, oil or otherwise); and air conditioning units, and all controls, fittings and equipment; (k) coolers, freezers, refrigerators, stoves, washing machines (including dishwashers), drying machines, kitchen and other types of equipment, appliances and ovens; (l) awnings, canopies, signs and exterior sign

boxes, bands and the like; and (m) any items that would not normally be considered to be Tenant's Trade Fixtures as listed in Article V of Schedule "C" attached hereto.

Section 1.18 "Minimum Rent" means the annual rent payable by Tenant pursuant to and in the manner set out in Section 4.2 hereof.

Section 1.19 "Mortgagee" means any mortgagee, chargee, encumbrancer, hypothecary creditor, secured creditor or debenture holder (including any trustee for bondholders or pursuant to a trust deed) of the Retail Space or any part thereof.

Section 1.20 "Opening Date" means such date or dates, if any, as Landlord determines from time to time for the common or general opening for business of the Retail Space or of a phase or part of the Retail Space in which the Premises are situated.

Section 1.21 "Operating Costs" means those costs to Landlord of ordinary non-capital expenditures incurred in connection with the operation of the Retail Space for a calendar year.

Section 1.22 "Percentage Rent" means the rent payable by Tenant pursuant to Section 4.3 hereof.

Section 1.23 "Person" includes any individual, partnership, firm, company, corporation, incorporated or unincorporated association, co tenancy, joint venture, syndicate, fiduciary, estate, trust, government, governmental or quasigovernmental agency, board, commission or authority, organization or any other form of entity howsoever designated or constituted, or any group, combination or aggregation of any of them.

Section 1.24 "P.P.S.A." means the Personal Property Security Act, S.B.C. 1989, c. 36 (including any amendments thereto) or any statute which replaces or supersedes the P.P.S.A.

Section 1.25 "Premises" means the premises described in Section 3.1 hereof leased to Tenant.

Section 1.26 "Prime Rate" means the floating annual percentage rate of interest established from time to time by the Bank of Montreal, 595 Burrard Street, Vancouver, British Columbia, as the base rate which will be used to determine rates of interest charged by it for Canadian dollar loans to customers in Canada and designated by the Bank of Montreal as the prime rate.

Section 1.27 "Proportionate Share" means a fraction which has as its numerator the Rentable Area of the Premises and as its denominator the Retail Leaseable Premises.

Section 1.28 "Rent" means all Minimum Rent, Percentage Rent and Additional Rent payable pursuant to this Lease.

Section 1.29 "Rentable Area of the Premises" means the area expressed in square feet (or, at Landlord's option, in square metres) as certified by the Architect or Land Surveyor of the Premises, measured from

- (a) the exterior face of all exterior walls, doors and windows;
- (b)

- (i) if the Premises include what was formerly part of Common Facilities, the boundary between the Premises and the current area of Common Facilities;
- (ii) if the Premises do not include what was formerly part of the Common Facilities, the exterior face of all interior walls, doors and windows separating the Premises from Common Facilities; and
- (c) the centre line of all interior walls separating the Premises from adjoining Retail Leaseable Premises.

The Rentable Area of the Premises includes all interior space, whether or not occupied by any projections, structures, stairs, elevators, escalators, shafts or other floor openings or columns, structural or nonstructural, and if a storefront or entrance is recessed from the lease line of the Premises, the area of such recess or entrance for all purposes lies within and forms part of the Rentable Area of the Premises.

Section 1.30 "Rental Year" means a period of time, the first Rental Year commencing on the first day of the Term hereof, and ending on the last day of the month of December immediately following. Each Rental Year thereafter shall consist of consecutive periods of twelve (12) calendar months, but the last Rental Year of the Term, whether or not it is twelve (12) calendar months, but shall terminate on the expiration or earlier termination of this Lease. If, however, Landlord considers it necessary or convenient for Landlord's purposes, Landlord may at any time and from time to time, by written notice to Tenant, specify a date from which each subsequent Rental Year is to commence, and in such event, the then current Rental Year shall terminate on the day immediately preceding the commencement of such new Rental Year, and the appropriate adjustments shall be made between the parties.

Section 1.31 "Representations" means covenants, promises, assurances, agreements, representations, conditions, warranties, statements and understandings.

Section 1.32 "Retail Leaseable Premises" means those premises (including the Premises) in the Retail Space which are designated or intended by Landlord from time to time to be used and occupied by businesses which sell or lease goods or services to the public, but the term "Retail Leaseable Premises" does not include any Common Facilities.

Section 1.33 "Retail Space" means (a) the lands described in Schedule "A" attached hereto, and all Alterations from time to time in, on, under, to, for or which serve such lands, in accordance with the terms of this Lease, and (b) the buildings, structures, improvements, machinery, installations, equipment, signs, systems, utilities, services and facilities (including, without limitation, the Common Facilities and Retail Leaseable Premises), and all Alterations from time to time thereto in accordance with the terms of this Lease, which are from time to time located on, in, under, above, or which serve, such lands. Where referred to in this Lease, the "Retail Space" means the whole of the Retail Space, unless the context indicates otherwise.

Section 1.34 "Rules and Regulations" means the rules and regulations adopted and promulgated by Landlord from time to time.

Section 1.35 "Sign" means any sign, decal, design, picture, advertisement, notice, lettering, banner, pendant, decoration, shade, awning or canopy.

Section 1.36 "Taxes" means all taxes, rates, duties, charges and assessments (other than business tax) including school taxes, local improvements rates and other charges which now are, shall or may be levied, rated, charged or assessed against real property in the City of Vancouver, including all improvements thereon, all machinery, equipment, facilities and other property of any nature whatsoever thereon and therein, whether such Taxes are charged by any municipal, parliamentary, legislative, regional, school or other authority but not including any interest or penalties for late payment; provided however, if a parcel of real property in the City of Vancouver including all improvements thereon, and all machinery, equipment, facilities and any other property of any nature whatsoever thereon are exempt from taxation in whole or in part, then "Taxes" is an amount equal to the amount that would be payable as Taxes if that parcel, all improvements thereon and all machinery, equipment, facilities and any other property of any nature whatsoever thereon and therein were nonexempt, taxable and separately assessed but not including any interest or penalties for late payment.

Section 1.37 "Tenant" means the second party and any Person mentioned as Tenant in this Lease, whether one or more. Any reference to "Tenant" includes, where the context allows, the directors, officers, servants, employees, contractors, subcontractors, agents, invitees and licencees of Tenant and all other Persons over whom Tenant (a) may reasonably be expected to exercise control, and (b) is in law responsible.

Section 1.38 "Term" means the period of time described in Section 3.3 hereof.

Section 1.39 "Trade Fixtures" means trade fixtures as determined at common law and includes the personal chattels installed during the Fixturing Period (if any), at the commencement of the Term, or during the Term by or on behalf of Tenant, in, on, or which serve, the Premises, for the sole purpose of Tenant carrying on its trade in the Premises pursuant to Section 8.1 hereof and which Trade Fixtures Tenant is permitted to remove only to the extent permitted by the terms of this Lease, but Trade Fixtures do not include Leasehold Improvements or any inventory of Tenant.

Section 1.40 "Utilities" definition see Section 7.1 hereof.

ARTICLE 2 INTENT AND INTERPRETATION

Section 2.1 Net Lease

Tenant agrees that (a) it is intended that this Lease is a completely carefree absolutely net lease to Landlord, except as expressly herein set out, and that Landlord shall not be responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Premises, the contents, the use or occupancy thereof, or the business carried on therein, and (b) Tenant shall pay all charges, impositions, costs and expenses of every nature and kind, extraordinary as well as ordinary and foreseen as well as unforeseen, relating to the Premises, the use and occupancy thereof, the contents thereof, and the business carried on therein (including, without limitation, Tenant's Proportionate Share of all charges, impositions, costs and expenses of any nature and kind as expressly herein set out), in the manner and at the times more partially described herein, and (c) any amount and any obligation which is not expressly declared in this Lease to be the responsibility of Landlord shall

be the responsibility of Tenant to be paid or performed by or at Tenant's expense in accordance with the terms of this Lease.

Section 2.2 Obligations as Covenants

Each obligation or agreement of Landlord or Tenant expressed in this Lease, even though not expressed as a covenant, is for all purposes considered to be a covenant.

Section 2.3 Covenants Survive Termination

The covenants herein on the part of Landlord and Tenant which, as of termination of this Agreement or the term hereby granted whether by effluxion of time or otherwise, remain unfulfilled, un-discharged or otherwise outstanding shall nevertheless survive such termination and remain in full force and effect and be binding upon the parties and their respective successors and assigns so long as there is any liability or indebtedness by either party to the other or so long as any such covenant remains unfulfilled, un-discharged or otherwise outstanding, whether in whole or in part, notwithstanding anything herein to the contrary.

Section 2.4 Captions and Headings

The captions and headings throughout this Lease are for convenience and reference only and the words and phrases contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision of or the scope or intent of this Lease nor in any way affect this Lease.

Section 2.5 Extended Meanings

The words "hereof", "herein", "hereunder" and similar expressions used in any section or subsection of this Lease relate to the whole of this Lease and not to that section or subsection only, unless the context indicates otherwise. The use of a neuter single pronoun to refer to Landlord or Tenant is deemed a proper reference even though Landlord or Tenant is an individual, a partnership, an association, a corporation or a group of two or more individuals, partnerships, associations or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one Landlord or Tenant and to either corporations, associations, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed. Words, phrases or expressions which are defined herein in the plural have a corresponding meaning when used herein in the singular, and words, phrases or expressions which are defined herein in the singular have a corresponding meaning when used herein in the plural. In this Lease, "includes" means "includes, without limitation"; "including" means "including, without limitation"; "without any setoff" means "without any setoff, notice, demand, counterclaim, defense, deduction, alteration, diminution, compensation, recoupment or abatement whatsoever"; "collectively" means "collectively referred to in this Lease as"; where the context permits in this Lease; "any" means "any and all"; "Tenant shall not permit" means "Tenant shall not cause, suffer or permit"; and "Tenant agrees" means "Tenant expressly acknowledges, covenants and agrees". Nothing in this Lease shall be construed as or shall constitute an express or implied grant by Landlord to Tenant of any form of right to light or air.

Section 2.6 Partial Invalidity

If for any reason whatsoever any term, covenant or condition of this Lease, or the application thereof to any Person or circumstance, is to any extent held or rendered invalid, unenforceable or illegal, then such term, covenant or condition: (a) is deemed to be independent of the remainder of this Lease and to be severable and divisible therefrom and its invalidity, unenforceability or illegality does not affect, impair or invalidate the remainder of this Lease or any part thereof; and (b) continues to be applicable to and enforceable to the fullest extent permitted by law against any Person and circumstances other than those as to which it has been held or rendered invalid, unenforceable or illegal.

Section 2.7 Entire Agreement

This Lease, together with the Rules and Regulations adopted and promulgated by Landlord pursuant to Section 18.1 hereof, sets forth all the Representations between Landlord and Tenant concerning the Premises and the Retail Space, and there are no Representations, either oral or written, between them other than those in this Lease. This Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, Representations and information conveyed, whether oral or in writing, between the parties hereto or their respective representatives or any other Person purporting to represent Landlord or Tenant. Tenant agrees that (a) it has not been induced to enter into this Lease by any Representations not set forth in this Lease, (b) it has not relied on any such Representations, (c) no such Representations shall be used in the interpretation or construction of this Lease, and (d) Landlord shall have no liability for any consequences or Claims arising as a result of, or from, any such Representation. No alteration, amendment, change or addition to this Lease shall be binding on Landlord or Tenant unless in writing and signed by each of them. This Lease may not be changed or terminated orally. All or any deletions (which term includes "lining out"), additions, alterations, amendments, changes and riders to the form of this Lease shall, at Landlord's option, apply only to Tenant actually executing this Lease. Tenant agrees at its expense immediately to execute any future amendments to this Lease required by Landlord which reflect changes required by any Authorities or to maintain this Lease as a completely carefree absolutely net Lease to Landlord.

Section 2.8 Governing Law

This Lease shall be construed in accordance with, and governed by, the laws of the Jurisdiction.

Section 2.9 Time of the Essence

Time is of the essence of this Lease and every part hereof, except as herein otherwise provided.

ARTICLE 3 PREMISES AND TERM

Section 3.1 Premises

In consideration of the rents, covenants and agreements herein contained on the part of Tenant to be paid, observed and performed, Landlord leases to Tenant, and Tenant leases from Landlord, the Premises, now or hereafter to be erected, as part of the Retail Space, which Premises are (a) presently designated as 883 Hamilton Street, Vancouver, BC, containing an area of approximately 2,200 square feet (which shall be measured or calculated by the Landlord

and shall be certified by him in accordance with Section 1.32), and (b) are identified and shown in the approximate location hatched in black on the plan attached hereto as Schedule "B". The purpose of Schedule "B" is to show the approximate location of the Premises, and the contents thereof are not intended as a representation of any kind as to the precise size or dimensions of the Premises or any other aspects of the Retail Space.

If the Premises are entirely self-enclosed, the boundaries of the Premises extend (a) to the limits from which the Rentable Area of the Premises is measured pursuant to Section 1.32 hereof; and (b) from the top surface of the structural sub floor to the bottom surface of the structural ceiling. If the Premises have no ceiling abutting the demising walls but rather are open to the ceiling of the Retail Space building, the boundaries of the Premises extend from the top surface of the structural sub floor to the height of the demising walls as determined by Landlord. Landlord may make any use it desires of the side or rear walls of the Premises if such use does not encroach upon the interior of the Premises.

Section 3.2 Use of Common Facilities

Subject to the terms of this Lease and to the Rules and Regulations, Tenant shall have for itself and its officers, servants, agents and employees, and for the use of Persons having business with it and in connection with such business, and for the use of its customers (but only for the purpose of enabling such customers to shop in any portion of the Retail Space) the nonexclusive and nontransferable right to use, during such hours that the Retail Space may be open for business as determined by Landlord from time to time, in common with all others entitled thereto, the parts of the Common Facilities appropriate and intended for common use, for their proper and intended purposes (however, such right shall not extend to parts of the Common Facilities from time to time allocated by Landlord for other use, whether temporary or permanent, such as, by way of example, but without limitation, kiosks, outdoor selling areas, displays, entertainment and special features, or to parts inappropriate for actual use, such as, by way of example, but without limitation, roofs, service rooms and structures).

Section 3.3 Commencement and Ending Date of the Term

Tenant shall have and hold the Premises for and during the Term which shall be, unless sooner terminated pursuant to the provisions hereof, the period of Eight (8) Years, from October 1, 2021 (the "Commencement Date") to and including September 30, 2029.

Section 3.4 Notice and Certificates

Where reasonably possible prior to the Commencement Date or within a reasonable period thereafter, the Architect or Land Surveyor shall, unless previously certified, provide, at Tenant's expense, payable as Additional Rent on demand, a certificate as to the Rentable Area of the Premises measured in accordance with the provisions of Section 1.32 hereof, and such certificate shall form a part of this Lease.

Section 3.5 Early Occupancy

Tenant shall not conduct business in all or any part of the Premises before the Commencement Date without Landlord's prior written approval, which Landlord may unreasonably withhold. If Tenant obtains Landlord's approval and begins to conduct business in all or any part of the Premises before the Commencement Date, then Tenant shall pay to

Landlord on the Commencement Date a rental in respect thereof for the period from the date Tenant begins to conduct business in all or any part of the Premises to the Commencement Date, which rental shall be that proportion of Rent for one calendar year which the number of days in such period bears to 365. During this period, Tenant shall be subject to all the other terms and conditions set out in this Lease, in so far as applicable.

Section 3.6 Delayed Possession

If for any reason Landlord is delayed in delivering, or is unable to give, possession of all or any part of the Premises to Tenant on or before the Commencement Date, then (a) Tenant shall take possession of the Premises on the date (not later than one (1) year after the Commencement Date) when Landlord delivers possession of all of the Premises, which date shall be conclusively established by notice from Landlord to Tenant at least five (5) days before such date, (b) this Lease shall not be void or voidable nor shall Landlord be liable to Tenant for any Claims resulting from any delay in delivering possession of the Premises, (c) the Term shall commence on the Commencement Date, (d) (unless such delay is caused by or attributable to Tenant, its employees, servants, agents or independent contractors), no Rent shall be payable by Tenant for the period prior to the date on which Landlord delivers possession of all of the Premises, unless Tenant elects to take possession of a part of the Premises, if possession of such part is available from Landlord, and Landlord consents thereto, whereupon Rent shall be payable in respect of such part from the date such possession is so taken, and (e) the expiry date of this Lease shall remain unchanged. Despite anything contained to the contrary in this Section 3.6, if Landlord is of the opinion that it is unable to deliver possession of all or any part of the Premises by the expiration of six (6) months from the Commencement Date, Landlord shall have the right to terminate this Lease upon written notice to Tenant, whereupon neither party shall have any liability to the other, and, after the termination date, Landlord shall return to Tenant, without interest, Security Deposit, if any.

Section 3.7 Acceptance of Premises

Tenant acknowledges and agrees that taking possession of all or any part of the Premises by Tenant shall be conclusive evidence as against Tenant that the Premises or such part thereof are in good and satisfactory physical and environmental condition on the date of taking possession, and that all undertakings, if any, of Landlord to alter, remodel or improve the Premises or the Retail Space, and all Representations, if any, by Landlord respecting the condition of the Premises or the Retail Space have been fully satisfied and performed by Landlord.

Section 3.8 Tenant's Work

Within the Fixturing Period, if any, Tenant, at its expense, shall complete in a good and workmanlike manner and using first quality new materials and new equipment all work designated as "Tenant's Work" in accordance with the provisions of Schedule "C" hereof in order to open for business in the whole of the Premises on the Commencement Date, fully fixtured, stocked and staffed. Should Tenant fail to comply with the provisions of Schedule "C" hereof, Landlord, in addition to, and without prejudice to any other rights or remedies available to Landlord pursuant to the terms of this Lease or at law, and without liability on Landlord's part, may terminate this Lease upon ten (10) days' prior written notice to Tenant, whereupon Tenant shall, upon such termination date, vacate the Premises and pay to Landlord, as Additional Rent

on demand, all costs and expenses incurred by Landlord in performing any Landlord's Work with respect to the Premises.

ARTICLE 4 RENT

Section 4.1 Covenant to Pay

Tenant shall pay, when due, all Rent in accordance with the terms of this Lease.

Section 4.2 Minimum Rent and Other Payments

- (a) Tenant shall pay from and after the Commencement Date to Landlord at the office of Landlord (or at such other place or to such other Person designated by Landlord) without any prior demand thereby or notice thereof, and without any setoff, as Minimum Rent: (i) for each year of the Term:

Years 1 - 2: \$ ~~s.17(1)~~ per square foot or \$ ~~s.17(1)~~ per year, plus GST
Years 3 - 5: \$ [REDACTED] per square foot or \$ [REDACTED] per year, plus GST
Years 6 - 8: \$ [REDACTED] per square foot or \$ [REDACTED] per year, plus GST

payable in equal consecutive monthly instalments of \$ ~~s.17(1)~~ in Years 1 - 2, \$ ~~s.17(1)~~ in Years 3 - 4, and \$ ~~s.17(1)~~ in Years 6 - 8, plus GST, in advance on the first day of each and every month. Landlord may, at its option, upon notice to Tenant require Tenant at least thirty (30) days prior to the Commencement Date to execute and deliver to, and in the form submitted by, Landlord, any documents, instruments, authorizations or certificates required to give effect to an automated debiting system whereby all or any payments by Tenant (as designated from time to time by Landlord) of whatsoever nature required or contemplated by this Lease shall be debited monthly, or from time to time, as determined by Landlord from Tenant's bank account and credited to Landlord's bank account, and Tenant shall promptly pay all service fees and other charges in connection therewith (and if Tenant changes its bank or financial institution from which such payments are automatically debited, Tenant shall immediately notify Landlord in writing and ensure that such automatic debiting system applies to the new bank or financial institution to which Tenant has changed, so that there is no gap in the continuity of such payments to Landlord).

- (b) Tenant shall lodge with Landlord a security deposit equal to \$ ~~s.17(1)~~ which is currently held on account. At all times the deposit shall stand charged with a lien in favour of Tenant which shall be in priority to any claims of Tenant's trustee in bankruptcy or Tenant's creditors, whether by execution, attachment, garnishing order or otherwise. Landlord may satisfy any claims it may have against Tenant arising hereunder, whether liquidated or otherwise, by forthwith applying the deposit or any portion thereof to payment of such claims. In the event that Landlord appropriates all or any portion of the deposit in payment of such claims, Tenant shall forthwith replenish the deposit upon notice from Landlord and failing such replenishment Landlord may terminate the Lease. Subject to any claims by Landlord, upon termination of this Lease the balance of the deposit shall be remitted to Tenant PROVIDED HOWEVER no interest shall

be payable on the deposit. Landlord shall not be obliged to apply any or all of the deposit to any claims it may have against Tenant before terminating this Lease or having recourse to any other remedy. The deposit shall not be refundable upon assignment. The assignor and assignee between themselves shall make whatever adjustment they deem appropriate.

Section 4.3 Rent Past Due

If Tenant fails to pay any Rent or any other amount when due by Tenant under this Lease (the "Unpaid Amount"), Tenant shall pay upon demand a financial charge on any such Unpaid Amount from the due date thereof to the payment thereof, the amount of which finance charge shall be the amount obtained by multiplying the Unpaid Amount by the rate per annum which is three (3) percentage points in excess of the Prime Rate, calculated monthly not in advance. Nothing herein contained shall be construed so as to compel Landlord to accept any payment of Rent in arrears should Landlord elect to apply its rights or remedies under the forfeiture or any other provision of this Lease in the event of default hereunder by Tenant. Any cheque of Tenant returned to Landlord because of nonsufficient funds or for any other reason by any financial institution shall be immediately replaced by a certified cheque by Tenant delivered to Landlord, together with a financial charge of ~~§ 17(1)~~ payable by Tenant to Landlord on demand therefor. If Tenant shall fail to pay to Landlord any Rent when due hereunder, Tenant shall pay to Landlord, in addition to the financial charge hereinbefore provided for in this Section 4.9, and without limiting any of Landlord's other rights or remedies under this Lease or at law, a late payment financial charge in the amount of ~~§ 17(1)~~ ~~§ 17(1)~~ of the unpaid Rent outstanding or ~~§ 17(1)~~ for each and every day or partial day any such Rent is not paid, whichever is greater, to cover the extra administrative expense involved in handling delinquent payments, which sum shall be paid by Tenant to Landlord on demand therefor. If Tenant is at any time in default under any of the terms, covenants or provisions of this Lease, Tenant agrees that Landlord, without limiting any of Landlord's other rights or remedies under this Lease, at law or in equity, may, at its option, upon notice to Tenant, declare all Rent payable by Tenant under this Lease, from and including the date of default up to and including the expiry date of the Term hereof, to be immediately due and payable, in which event Tenant shall immediately pay such Rent by certified cheque to Landlord. Despite any other provision of this Lease, any amount or amounts from time to time payable by Tenant to Landlord under this Section 4.9 as a financial charge or financial charges shall, in each case, be deemed not to be consideration for the supply of space under this Lease, but shall, in each case, be considered to be Rent for the purposes of Landlord's rights and remedies for nonpayment and recovery of any such amount or amounts.

ARTICLE 5 TAXES

Section 5.1 Business Taxes and Other Taxes of Tenant

Tenant shall pay as Additional Rent to the lawful taxing authorities, or to Landlord, as Landlord may direct, and shall discharge in each Rental Year when the same become due and payable or as otherwise directed by Landlord (a) all taxes, rates, duties, assessments and other charges that are levied, rated, charged or assessed against or in respect of all Leasehold

Improvements, equipment, fixtures (including Trade Fixtures), personal property and facilities of Tenant on or in the Premises or the Retail Space or any part thereof, or Landlord on account of its ownership thereof or interest therein; (b) every tax and licence fee which is levied, rated, charged or assessed against or in respect of the use or occupancy thereof or any other part of the Retail Space by Tenant and every Transferee or Franchisee of Tenant, or against Landlord on account of its ownership thereof or interest therein; all the foregoing being collectively referred to in this Lease as "Business Taxes" and whether, in any case, any such taxes, rates, duties, assessments or licence fees are rated, charged or assessed by any federal, provincial, municipal, school or other body during the Term. If there are not separate bills issued by the relevant authority for Business Taxes, Tenant shall pay to Landlord Tenant's Proportionate Share of all Business Taxes levied, rated, charged or assessed on the entire Retail Space.

Section 5.2 Tenant's Responsibility

Tenant shall (a) upon request of Landlord promptly: (i) deliver to Landlord for inspection receipts for payment of all Business Taxes payable by Tenant pursuant to Section 5.1; (ii) deliver to Landlord notice of any assessments of business Taxes or other assessments received by Tenant which relate to the Premises or the Retail Space; (iii) furnish such other information in connection with any such Business Taxes as Landlord requires from time to time; and (b) deliver to Landlord, at least ten (10) days prior to the last date permitted for filing of an appeal, notice of any appeal or contestation (collectively "Appeal") Tenant, at Tenant's expense, intends to institute with respect to any such Business Taxes payable by Tenant pursuant to Section 5.3 and consult with and obtain the prior written approval of Landlord to any such appeal. No such Appeal shall defer or suspend Tenant's obligations to pay such Business Taxes pending such Appeal, but, if by law it is necessary that such payment be suspended to preserve or perfect Tenant's Appeal, and if Tenant obtains Landlord's approval to such Appeal, Tenant shall deliver to Landlord immediately on demand such security for the payment of such Business Taxes and all costs with respect thereto as Landlord designates and Tenant shall diligently prosecute any such Appeal to a speedy resolution and shall keep Landlord informed in writing of its progress in that regard, from time to time, or immediately, upon Landlord's request.

Tenant shall promptly indemnify and hold harmless Landlord from and against any and all Claims occasioned by, arising from, and in connection with, all such Business Taxes and any taxes which may in future be levied against of or in addition to such Business Taxes or which may be assessed against any Rent payable by Tenant pursuant to this Lease instead of or in addition to such Business Taxes, whether against Landlord or Tenant, including, without limitation, (i) any increase whensoever occurring in Business Taxes arising directly or indirectly out of an Appeal by Tenant of the Business Taxes relating to the Premises or the Retail Space or any part thereof, and (ii) any adverse consequences that may flow to Landlord from Tenant's reduction in its assessment due to such Appeal, including, without limitation, where there is no corresponding reduction to Landlord in Landlord's assessment on the Retail Space. Tenant shall deliver to Landlord immediately on demand such security for any such increase in Business Taxes and all costs, fees, charges and expenses with respect thereto as Landlord deems advisable.

Section 5.3 Per Diem Adjustment

If any Rental Year during the Term of this Lease is less than twelve (12) calendar months, the Taxes that Tenant is required to pay pursuant to Section 5.2 hereof shall be subject to a per diem adjustment on the basis of a period of three hundred and sixty-five (365) days.

Section 5.4 Goods and Services Tax

Tenant shall pay an amount equal to any and all taxes, rates, duties, levies, fees, charges and assessments whatsoever, whether or not in existence at the commencement of the Term, assessed, charged, imposed, levied or rated by any taxing authority, whether federal, provincial, municipal or otherwise, on or against Landlord or Tenant, with respect to the Rent payable by Tenant to Landlord under this Lease or the rental of space under this Lease or the provision or supply of any goods, services or utilities whatsoever by Landlord to Tenant under this Lease, whether any such tax, rate, duty, levy, fee, charge or assessment is called or characterized as a sales, use, consumption, value added, business transfer or Goods and Services Tax or otherwise (collectively, "GST"). If the applicable legislation requires that any GST is to be collected by Landlord, the amount of the GST so payable by Tenant shall be calculated by Landlord in accordance with the applicable legislation and shall be paid by Tenant to Landlord at the same time as the Minimum Rent is payable, or at such other time or times as the applicable legislation may from time to time require. Despite any other provision of this Lease, the amount or amounts from time to time payable by Tenant under this Section 5.4 shall be deemed not to be consideration for the supply of space under this Lease, but shall be considered to be Rent for purposes of Landlord's rights and remedies for nonpayment and recovery of any such amounts.

ARTICLE 6 LEASABLE PREMIES AND COMMON FACILITIES CONTROL AND PAYMENT

Section 6.1 Control of Leasable Premises by Landlord

Tenant agrees that the Retail Space is at all times subject to the exclusive control, maintenance, management and operation of Landlord. Without limiting the generality of the immediately preceding sentence, Landlord has the right, in its control, maintenance, management and operation of the Retail Space and by the establishment of Rules and Regulations and general policies with respect to the operation of the Retail Space or any part thereof at any time and from time to time during the Fixturing period and throughout the Term, to:

- (a)
 - (i) construct, maintain, operate and change lighting facilities and heating, ventilating, air conditioning and energy conservation systems;
 - (ii) provide supervision, security and policing services for the Common Facilities;
 - (iii) close all or any portion of the Retail Space before and after Retail Space hours
 - (iv) and exclude any Person and the public therefrom;
 - (v) grant, enter into, modify and terminate easements and other agreements pertaining to the use and maintenance of all or any part of the Retail

Space including, without limitation, exclusive use by one or more tenants, and convert portions of the Retail Space from Common Facilities to Retail Leasable Premises and vice versa;

- (vi) close off or obstruct all or any part of the Retail Space for the purpose of maintenance, repair, construction, provision of misuse or other reasons considered by Landlord to be advisable;
 - (vii) employ all personnel, including, without limitation, supervisory personnel and
 - (viii) managers, necessary for the operation, maintenance, supervision and control of the Retail Space. Tenant acknowledges that Landlord may act in any manner provided for in this Lease (including, without limitation, the management of the Retail Space) by itself or by such other person as Landlord designates from time to time;
 - (ix) use any part of the Common Facilities, from time to time, for merchandising, displays, decorations, filming, entertainment and structures (including, without limitation, kiosks, carts and other installations), permanent or otherwise, designed for retail selling or special features or promotional activities;
 - (x) designate the areas and entrances and the times in, through and at which loading and unloading of goods shall be carried out, and Tenant shall cause any trailers or trucks servicing the Premises to remain parked in such designated areas only and during those periods necessary to service Tenant's operations, but Tenant shall not permit any such trailers or trucks to remain parked in the Retail Space overnight or beyond the closing hours of the Retail Space;
 - (xi) control, supervise and regulate the deliver or shipping of merchandise, supplies and fixtures to and from the general shipping and receiving areas and Retail Leasable Premises in such manner as Landlord determines is necessary for the proper operation of the Premises and the Retail Space;
- (b) designate and specify the kind of container to be used for garbage and refuse and the manner and the times and places at which it is to be placed for collection. If Landlord for the more efficient and proper operation of the Retail Space provides or designates a commercial service for the pick-up and disposal of refuse and garbage (instead of, or in addition to, the service provided by the municipality), Tenant shall then use that commercial service at Tenant's cost. Tenant shall pay the charges for pick up and disposal of any of Tenant's refuse or rubbish. Tenant shall not burn any trash or garbage of any kind in or about the Premises or any part of or near the Retail Space. Tenant shall store soiled or dirty linen in approved fire-rated metal containers with self-closing fusible link covers; and control, supervise and regulate the promotion, advertising and sale of merchandise anywhere in, on or from the Common Facilities; from time to time, (i) change the area, level, location, arrangement or use of the Retail Space or any part thereof; (ii) make Alterations in, to or for the Retail Space or

any part thereof; (iii) construct additional structures, installations, seating, systems, utilities, services, equipment, improvements and facilities, or any of them, in, under, above, adjoining, near to, or which serve, the Retail Space or any part thereof; (iv) demolish the Building or any part thereof; (v) convey portions of the Building to others for the purpose of constructing thereon other buildings or improvements, including additions thereto and Alterations thereof; (vi) construct multiple deck, elevated or underground parking facilities, as well as underground tunnels, pedestrian walkways and overpasses, and make Alterations to them in any manner whatsoever; and (vii) make Alterations to the structures, Retail Leasable Premises and Common Facilities of the Retail Space. Landlord shall have the exclusive right to use all or any part of the roof of any building in the Building including the roof over the Premises for any purpose. In order to facilitate Landlord's exercise of its rights under this Section 6.1(b), Tenant agrees that Landlord shall have the right, upon not less than sixty (60) days' prior written notice to Tenant, to relocate Tenant to other space in the Building designated by Landlord of comparable size and Tenant shall complete its relocation within thirty (30) days after Landlord's notice. The space to which Tenant is relocated shall thereupon be substituted for the Premises for all purposes of this Lease and Tenant shall immediately upon receipt thereof execute without charge to Landlord an agreement prepared by Landlord confirming such relocation. Landlord, in the event of such relocation, shall reimburse Tenant, on an equitable basis, for capital costs incurred by Tenant for new Trade Fixtures as a direct result of such relocation; and

- (c) do and perform such other acts in and to the Building or any part thereof as Landlord determines to be advisable for the more efficient and proper operation of the Retail Space.

Notwithstanding anything contained in this Lease, it is understood and agreed that, if as a result of the exercise by Landlord of any of its rights set out in this Section 6.1, or elsewhere in this Lease, the Building or any part thereof is diminished, expanded or altered in any manner whatsoever, Landlord is not subject to any liability, nor is Tenant entitled to any compensation, alteration, diminution, setoff or abatement of Rent, nor is any diminution, expansion or alteration of the Building or any part thereof deemed a constructive or actual eviction or a breach of any covenant for quiet enjoyment contained in this Lease. Without limiting Tenant's obligations under this Lease, Tenant expressly acknowledges and agrees that the exercise by Landlord of its rights under this Section 6.1 shall not relieve Tenant of Tenant's obligation to continuously, actively and diligently carry on its permitted business in the Premises pursuant to the terms of this Lease.

Section 6.2 Tenant to Pay its Portion of Operating Costs and Taxes

In each Rental Year, Tenant shall pay to Landlord, as Additional Rent, Tenant's Portion of Operating Costs and Taxes, in equal consecutive monthly instalments in advance on the first day of each and every month of the Term.

ARTICLE 7 UTILITIES AND HEATING, VENTILATING AND AIR CONDITIONING

Section 7.1 Charges for Utilities

- (a) Tenant shall be solely responsible for and shall promptly pay as Additional Rent to Landlord, or as it otherwise directs, in the manner hereinafter provided as a charge with respect to the Premises (the "Charge") the aggregate, without duplication, of (i) the total cost of supplying electricity, gas, water, telephone, and any other fuel, power or other utilities (collectively, "Utilities") used or consumed in or with respect to the Premises or allocated to them by Landlord; (ii) the cost of any other charges levied or assessed in lieu of or in addition to such Utilities as determined by Landlord including, without limitation, the equitable allocation to the Premises of an additional charge, as determined by Landlord, for the excess supply to and usage of the Utilities in the Premises; and (iii) all costs incurred by Landlord in determining or allocating the Charge or determining the Utilities including, without limitation, professional, engineering and consulting fees and expenses.
- (b)
- (i) If Landlord elects, for the more efficient and proper operation of the Retail Space, or is required by municipal bylaw or the suppliers of the Utilities to supply the Utilities or any of them for the Retail Space, Tenant shall purchase such Utilities and pay Landlord for them as Additional Rent on demand at rates not in excess of appropriate rates for such Utilities, if applicable;
 - (ii) Tenant shall pay to Landlord, as Additional Rent, the Charge for Utilities in consecutive monthly instalments in advance based on estimates by Landlord and subject to adjustment by Landlord within a reasonable time after the end of the Rental Year for which such estimate has been made;
 - (iii) if requested by Landlord, Tenant shall promptly install at Tenant's expense in a location designated by Landlord a separate check meter indicating demand and consumption of Utilities in the Premises in accordance with plans and specifications prepared by Tenant's architects, at Tenant's expense, which have been submitted to and have received the prior written approval of Landlord;
 - (iv) Tenant agrees that in no event is Landlord liable or responsible in any way to Tenant or to any other Person for any Injury, loss or damage from any Claims resulting from an interruption or the cessation or unavailability of, or a failure in, the supply of Utilities, services or systems (including water and sewage systems) in, to, or serving, the Retail Space or the Premises (including, without limitation, any interruption, malfunction, cessation or failure of any computers, computer software or other equipment in, or which serves, the Premises), whether or not supplied by Landlord or others, and whether the interruption, cessation, unavailability or failure is caused by any fault, default, negligence, act or omission of Landlord or not.
- (c) Landlord shall determine the Charge applicable to the Premises by allocating the Utilities for the Retail Space or any part thereof among the several components

and areas of the Retail Space, including the Common Facilities, Retail Leasable Premises and other leasable premises using as a basis, without limitation: (i) check meters installed in the Common Facilities and individual Retail Leasable Premises and other leasable premises by tenants in accordance with this Section 7.1 and similar sections in other leases for the Retail Space; (ii) the relevant rates of demand and consumption of Utilities in the Common Facilities and individual Retail Leasable Premises and other leasable premises; (iii) the connected load of the respective areas comprising the Common Facilities and the individual Retail Leasable Premises and other leasable premises for which there are no check meters. The charge includes any Utilities consumed as a result of the installation of any reheat coil or additional heating system in the Premises.

- (d) Tenant shall pay for the Utilities allocated to the Premises pursuant to Section 7.1(a).

Section 7.2 Heating, Ventilating and Air Conditioning

Tenant shall, throughout the Term, operate and regulate those portions of the heating, ventilating and air conditioning equipment within and serving the Premises in such a manner as to maintain such reasonable conditions of temperature and humidity within the Premises as are determined by Landlord and its engineers so that no direct or indirect appropriation of the heating, ventilating and air conditioning from the Common Facilities occurs. Tenant shall comply with such stipulations and with all Rules and Regulations of Landlord pertaining to the operation and regulation of such equipment. If Tenant fails to comply with such stipulations or Rules and Regulations, Landlord shall, without any liability on Landlord's part, be entitled to take such steps as it deems advisable to correct such faults (including, without limitation, entering upon the Premises and assuming control of such equipment) and Tenant shall pay to Landlord all costs and expenses (including, without limitation, all professional, consultant and legal fees on a solicitor and own client basis) incurred by Landlord in so doing. Tenant agrees that the exercise by Landlord of its rights under this Section 7.2 is not a reentry or a breach of any covenant for quiet enjoyment contained in this Lease.

ARTICLE 8 USE OF THE PREMISES

Section 8.1 Use of the Premises

Tenant shall use the Premises solely for the purpose of conducting the business of the sale, at retail, of a Restaurant and Tenant will not use or permit or suffer the use of the Premises or any part thereof for any other business or purpose. In connection with the business to be conducted by Tenant on the Premises, Tenant shall use only the advertised name Grab N' Go (which Tenant represents it has the exclusive right to use) and shall not change the advertised name of the business to be operated in the Premises without the prior written consent of Landlord. Tenant acknowledges that it has satisfied itself that the Premises may be used for the purposes stated herein. Tenant acknowledges that it is acquiring the Premises 'as is' in its current condition and it has satisfied itself that the Premises may be used for the purposes stated herein.

Section 8.2 Prohibited Activities

- (a) Tenant acknowledges and agrees that it is only one of many tenants in the Retail Space and that therefore Tenant shall conduct its business in the Premises in a manner consistent with the best interests of the Retail Space as a whole.
- (b) Landlord shall have the right to cause Tenant to discontinue, and Tenant shall thereupon forthwith discontinue, the sale of any item, merchandise or commodity, the supply of any service, or the carrying on of any business, activity or practice, which does not in Landlord's opinion fall within the normal and permitted use and occupation of the Premises by Tenant, or which is either prohibited by this Section 8.2 or Section 8.3.

Section 8.3 Conduct of Business

On and after the Commencement Date and thereafter throughout the Term, Tenant shall occupy the whole of the Premises and shall therein continuously, actively and diligently conduct the business set out in Section 8.1 hereof. In the conduct of Tenant's business pursuant to this Lease, Tenant shall, at its expense:

- (a) operate and conduct its business in an up-to-date first class, dignified and reputable manner with due diligence, in conformity with the highest standards of practice prevailing in such field of business and among merchants engaged in the same or similar business, and maintain a full, competent staff to properly serve all customers; and (ii) keep the Premises at all times in a safe, sanitary, neat, clean, attractive, orderly, first class and inviting condition, to the satisfaction of Landlord;
- (b) conduct its business in the Premises in good faith during such hours and on such days and nights as Landlord from time to time requires or permits and at no other time;
- (c) abide by all Rules and Regulations and general policies formulated by Landlord from time to time relating to the delivery of goods and merchandise between the general shipping and receiving areas and the Premises. Tenant shall inform its suppliers of the times and Rules and Regulations respecting delivery so as to accommodate the ease of delivery to and from the Retail Space. If Landlord, from time to time, for the more efficient operation of the Retail Space, requires that the movement of all goods and merchandise between such shipping and receiving areas and the Premises be effected by Landlord or any nominee of Landlord, Tenant shall reimburse Landlord, as Additional Rent payable on demand, for the actual cost incurred with respect to all deliveries to and from the Premises and temporary holding of goods related thereto. Tenant agrees that Landlord is not liable or responsible in any way to Tenant or any other Person for any Injury from, or for any loss or damage to, any of the goods and merchandise of Tenant, or of any other Person, which are received or handled, directly or indirectly, from any cause whatsoever (whether or not such loss or damage results from any act, fault, default, negligence or omission of Landlord or its agents, servants, employees or any other Person for whom Landlord is in law responsible), as a result of the delivery and shipping of such goods and merchandise by Landlord or any nominee of Landlord;

- (d) not commit, nor permit to be committed, any waste upon, or damage to, the Premises or any other part of the Retail Space or any nuisance or other act or thing which in Landlord's opinion disturbs the quiet enjoyment of any other tenant or occupant of premises in the Retail Space or which in Landlord's opinion disturbs or interferes with or annoys any Person within 500 feet of the boundaries of the Retail Space; and not perform any acts or carry on any practices which may damage the Retail Space or any part thereof;
- (e) use the name and address of the Retail Space and all insignia and other identifying names and marks which Landlord may from time to time change without notice or liability to Tenant, and which Landlord instructs Tenant to use in the advertising by Tenant of its business in the Premises. However, Tenant agrees that Tenant does not have nor shall it acquire any rights in such names, addresses, marks or insignia and, at the option of Landlord, Tenant shall promptly abandon or assign to Landlord any such rights which Tenant may acquire by operation of law, and will promptly execute such documents as in the opinion of Landlord are or may be necessary to give effect to this Section 8.3(e);
- (f) not install or allow on the Premises any transmitting device, nor permit the installation of any aerial, antenna, communications system or satellite receiver or transmitter on the roof of any building forming part of the Retail Space or on any exterior walls of the Premises or in any of the Common Facilities. Any such installation shall be subject to removal at any time by Landlord without liability on Landlord's part and without notice to Tenant and such removal shall be done and all damages as a result thereof shall be made good, in each case, at the cost of Tenant, which Tenant shall pay to Landlord as Additional Rent on demand;
- (g) cooperate with Landlord in the conservation of all forms of energy in the Retail Space, including, without limitation, in the Premises; comply with all laws, bylaws, regulations and orders relating to the conservation of energy, affecting the Retail Space or any part thereof; and promptly comply, at Tenant's expense, with all reasonable requests and demands of Landlord made with a view to such energy conservation. Tenant acknowledges and agrees that Landlord shall not be liable or responsible to Tenant in any way for any Claims, whether direct or consequential, made, suffered or incurred by Tenant due to any reduction in the services provided by Landlord to Tenant or to the Retail Space or any part thereof as a result of Landlord's compliance with such laws, bylaws, regulations or orders;
- (h) not permit any activity within or about the Premises which would in Landlord's opinion constitute or create an environment or pollution problem with respect to the Premises or the surrounding areas;
- (i) not permit any odours, gases, dust, smoke, fumes, vapours, steam, water, cinders, soot, vibrations, music, noises or other undesirable effects to emanate from the Premises or any equipment, system, facility or installation therein which, in Landlord's opinion, are objectionable or cause any interference with the safety, comfort or convenience of the Retail Space or any part thereof by

Landlord or any tenants or occupants thereof or their customers or invitees, nor shall Tenant operate, or permit the operation of, any electrical device from which may emanate electrical waves which may interfere with or impair radio or television broadcasting or reception from, on or in the Retail Space or elsewhere. If Tenant is in default of any of the foregoing, Landlord shall have the right, without limiting any of Landlord's other rights or remedies, orally, to inform Tenant's manager in the Premises thereof, whereupon Tenant, at Tenant's expense, shall immediately (i) take such steps as are necessary to cure any such default, and (ii) (if applicable) cease selling the offending item or items, as the case may be; failing which, Tenant agrees that Landlord may, without liability on Landlord's part, enter the Premises and attempt to cure such default, at Tenant's expense, which shall be paid by Tenant to Landlord as Additional Rent, or, alternatively, Landlord shall have the right, upon notice to Tenant, to terminate this Lease; and

- (j) provide Landlord with the names, addresses, emails and telephone numbers of two (2) authorized employees of Tenant who may be contacted by Landlord in the event of an emergency relative to the Premises.

Section 8.4 Section 8.4 Observance of Law

- (a) Tenant shall, at its expense (and at all times strictly complying with the provisions of Sections 10.1 and 10.2 hereof) promptly:
 - (i) observe and comply with all requirements of all Laws now or hereafter in force which pertain to or affect (A) the Premises, (B) Tenant's use of the Premises or the conduct of any business in the Premises, or (C) the making of any Alterations of, to or for the Premises or any part thereof (including any equipment, machinery, facilities and systems in, on or which serve the Premises or any part thereof);
 - (ii) observe and comply with all requirements of, and pay all costs and expenses in connection with, the controls or obligations imposed by any Authorities for ambient air, air quality and environmental standards and the investigation, testing and removal of any Hazardous Substance which, in Landlord's opinion, is hazardous to any Person or to the Retail Space or any part thereof;
 - (iii) observe and comply with all police, security, energy conservation, fire, environmental, health and sanitary regulations, directives, orders and requirements imposed by any Authorities; and
 - (iv) carry out all Alterations in, of, or to, the Premises, and Tenant's conduct of business in, or use of, the Premises which are required by any such Authorities as are set out in this Section 8.4.
- (b)
 - (i) Without limiting the provisions of Section 8.4(a) hereof, Tenant shall not directly or indirectly permit:

- (A) any violation of any Laws now or hereafter enacted relating to environmental conditions in, on, at, from, under, above or about the Premises, or arising from Tenant's use or occupancy of the Premises, including, without limitation, soil and ground water conditions; or
 - (B) the use, generation, release, emission, manufacturing, refining, production, processing, storage or disposal of any Hazardous Substance in, on, at, from, under, above or about the Premises, or the transportation to or from the Premises of any Hazardous Substance. In this regard, Tenant agrees that it will permit Landlord or those duly authorized by Landlord to conduct tests, inspections and appraisals of the Premises, including, without limitation, the right to conduct soil tests and to remove samples from the Premises and any part of the Premises and to examine any records, business and assets in so far as they relate to the Premises at any time and from time to time to ensure compliance by Tenant with the provisions of this Section 8.4(b);
- (ii)
- (A) Tenant shall, at Tenant's expense, observe and promptly comply with all Laws regulating the use, generation, release, storage, transportation or disposal of any Hazardous Substance;
 - (B) Tenant shall, at Tenant's expense, promptly make all submissions to, provide all information required by, and comply with all requirements of, all Authorities under the Laws;
 - (C) should any Authorities or any third party demand that a cleanup plan be prepared and that a cleanup be undertaken because of any deposit, spill, discharge, release or existence of any Hazardous Substance that occurs or becomes known during the Term of this Lease, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, then Tenant shall, at Tenant's expense, promptly prepare and submit the required plans and all related bonds and other financial assurances and Tenant shall, at its expense, promptly carry out all such cleanup plans;
 - (D) Tenant shall, at Tenant's expense, promptly provide to Landlord all documents, reports, tests, survey results or other information (collectively "Documents") regarding the use, generation, release, emission, storage, transportation or disposal of any Hazardous Substance that is requested by Landlord. If Tenant fails to fulfil any duty imposed under this Section 8.4(b)(ii) within a reasonable time as determined by Landlord, Landlord may, without any liability on Landlord's part and at Tenant's expense, do so; and in such case, Tenant shall cooperate with Landlord in order to prepare or cause to be prepared all documentation with respect thereto that Landlord deems necessary or appropriate to

determine the applicability of the Laws to the Premises and Tenant's use thereof, and for compliance therewith, and Tenant shall execute all documents promptly, upon Landlord's request. Without limiting the generality of the foregoing provisions of this Section 8.4(b)(ii), Landlord shall be entitled at any time to enter the Premises either by itself or through its agents and officers to conduct such audits, investigations and tests as Landlord deems necessary. No such action by Landlord and no attempt by Landlord to mitigate damages under any Laws shall constitute a waiver of any of Tenant's obligations under this Section 8.4(b)(ii); and

- (E) Tenant's obligations and liabilities under this Section 8.4(b)(ii) shall survive the expiration or earlier termination of this Lease;
- (iii)
- (A) Tenant shall indemnify, defend (utilizing counsel satisfactory to Landlord) and hold harmless Landlord and Landlord's respective officers, directors, beneficiaries, shareholders, partners, agents, employees and all other Persons for whom Landlord is in law responsible from all Claims (including, without limitation, (1) the costs of defending or counterclaiming or claiming over against third parties in respect of any action or matter, and (2) any cost, liability or damage arising out of or in any way connected with any deposit, spill, discharge or other release of any Hazardous Substance that occurs during the Term of this Lease, at, in, on, from, under or about the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, or from Tenant's failure to provide all information, make all submissions, and take all steps required by all Authorities under the Laws and all other environmental laws; and
 - (B) Tenant's obligations and liabilities under this Section 8.4(b)(iii) shall survive the expiration or earlier termination of this Lease.
- (c)
- (i) Tenant agrees, at its expense, to comply with all present and future Laws regarding the collection, sorting, separation and recycling of waste products, garbage, refuse and trash. Tenant shall, at its expense, sort and separate such waste products, garbage, refuse and trash into such categories as provided by law. Each separately sorted category of waste products, garbage, refuse and trash shall be placed in separate receptacles approved by Landlord. Such separate receptacles may, at Landlord's option, be removed from the Premises in accordance with a collection schedule prescribed by law; and
 - (ii) Landlord reserves the right to refuse to collect or accept from Tenant any waste products, garbage, refuse or trash that is not separated and sorted as required by the Landlord, and to require Tenant to arrange for such collection at Tenant's expense, utilizing a contractor satisfactory to

Landlord. Tenant shall pay all costs, expenses, fines, penalties or damages that may be imposed on Landlord or Tenant by reason of Tenant's failure to comply with the provisions of this Section 8.4(c) and, at Tenant's expense, shall promptly indemnify, defend (utilizing counsel satisfactory to Landlord) and hold Landlord harmless from and against all Claims arising from such noncompliance.

Section 8.5 Investment Canada Act

Tenant hereby represents and warrants that it has complied and will at all times comply with the provisions of the Act, any amendments thereto or any statute that replaces or supersedes that Act. Tenant shall promptly indemnify and hold harmless from and against any and all Claims resulting or arising from any breach by Tenant of any representation or warranty referred to in this Section 8.5.

ARTICLE 9 INSURANCE AND INDEMNIFICATION

Section 9.1 Tenant's Insurance

(a) Tenant, at its expense, will maintain, throughout the Term and any period when it is in possession of all or any portion of the Premises, the insurance (the "Insurance") described below. Tenant will cause each such insurance policy to (i) be primary, noncontributing with, and not excess of, any other insurance or self insurance available to Landlord or the Mortgagee, (ii) contain a prohibition against cancellation or material change that reduces or restricts the Insurance (except on thirty (30) days' prior notice to Landlord and the Mortgagee by registered mail), (iii) where Landlord and the Mortgagee are insureds, contain a waiver in respect of the interests of Landlord and the Mortgagee of any provision in any such insurance policies with respect to any breach or violation of any warranties, representations, declarations or conditions in such policies, and (iv) be in a form and with insurers satisfactory to Landlord and the Mortgagee. Upon request from Landlord or upon the placement, renewal, amendment or extension of all or any part of the Insurance, Tenant will immediately deliver to Landlord certificates of insurance (on Landlord's standard form, if applicable) signed by Tenant's insurers evidencing the required Insurance or, if required by Landlord or the Mortgagee, evidence in the form of certified copies of the policies (and no review or approval of any such insurance, certificate or policy by Landlord or the Mortgagee shall derogate from or diminish Landlord's or the Mortgagee's rights or Tenant's obligations contained in this Lease, including without limitation, those contained in this Article 9). The Insurance is as follows:

- (i) all risks (including flood and earthquake) property insurance on insurable property, subject to an agreed amount clause and broad comprehensive boiler and machinery insurance on all objects owned or operated by Tenant or by others (other than Landlord) on behalf of Tenant in the Premises or relating to or serving the Premises, with reasonable deductibles of up to three percent (3%) of the replacement cost of property insured. This insurance will (A) name Landlord and Tenant as insureds, (B) contain a waiver of any subrogation rights that the insurers may have against Landlord or the Mortgagee and against those for whom

any of them is responsible in law whether the loss or damage is caused by the fault, default, act, omission or negligence of Landlord or those for whom Landlord is in law responsible (but if Tenant fails to procure such waiver, Tenant will pay to Landlord as liquidated damages payable as Additional Rent on demand all moneys to which any subrogor hereunder becomes entitled and the cost of any legal defence of any claim for subrogation), (C) (except with respect to Tenant's stock-in-trade, furniture and Trade Fixtures) incorporate the standard mortgage clause of the Mortgagee, and (D) cover: (1) all property owned by Tenant or for which Tenant is legally liable, located within the Retail Space, including, but not limited to, Tenant's Work and Leasehold Improvements, in an amount not less than the full replacement thereof (it being understood and agreed that, if there is a dispute as to the amount which comprises full replacement cost, the decision of Landlord or Mortgagee shall be conclusive), subject to a bylaw endorsement; and (2) twelve (12) months direct or indirect loss of earnings, including prevention of access to the Premises or to the Retail Space, and a bylaw endorsement. The proceeds of the insurance under this Section 9.1(a)(i) shall be and are hereby assigned and made payable to Landlord, and, to the extent that such proceeds of insurance shall have been paid to Landlord, they shall be released to Tenant (if Tenant is not in default hereunder); (I) upon Tenant's written request, in progress payments, at stages determined by the Architect, upon receipt by Landlord of a certificate from the Architect stating that repairs to each stage of the Premises have been satisfactorily completed, free of liens, by Tenant, but if Tenant defaults in making such repairs and if Landlord, at Landlord's option, performs such repairs, the proceeds may, without limiting Landlord's rights hereunder and without liability to Landlord, be applied by Landlord to the costs thereof, plus a further twenty percent (20%) of such costs representing Landlord's overhead; or (II) if Landlord terminates this Lease upon the happening of any damage or destruction as is provided in Section 11.2(a) hereof, but only to the extent of the value of any Trade Fixtures or stock-in-trade of Tenant which Tenant is permitted to remove under the terms of this Lease upon termination of this Lease and not to the extent of the value of any Leasehold Improvements made by or on behalf of Tenant in, to, for or which serve, the Premises, which Proceeds shall be retained by Landlord for its own use absolutely;

- (ii) Five Million Dollars (\$5,000,000) inclusive limits occurrence form commercial general liability insurance. This insurance will (A) include owners' protective, products, completed operations, intentional acts to protect persons or property, personal injury, employers' and blanket contractual liability coverages, provisions for cross liability, severability of interests and occurrence property damage, and (B) name Landlord and the Mortgagee as named insureds;
- (iii) Tenant's legal liability insurance for the actual cash value of the Premises, including loss of use of the Premises;

- (iv) Two Million Dollars (\$2,000,000) inclusive limits automobile liability insurance on a non-owned form, including contractual liability, and on an owner's form, covering all licenced vehicles operated by or on behalf of Tenant; and
 - (v) any other form of insurance and with whatever higher limits that Landlord or the Mortgagee requires from time to time.
- (b) Tenant agrees that, if Tenant fails to take out or keep any such Insurance referred to in this Section 9.1, or should any such Insurance not be approved by Landlord or the Mortgagee and should Tenant not commence diligently to rectify (and thereafter proceed diligently to rectify) the situation within forty eight (48) hours after written notice by Landlord to Tenant (stating if Landlord or the Mortgagee does not approve of such insurance, the reasons therefor), Landlord has the right, without assuming any obligation in connection therewith and without prejudice to any other rights and remedies of Landlord under this Lease, to effect any such Insurance at the sole cost of Tenant and all outlays by Landlord, shall be immediately paid by Tenant to Landlord as Additional Rent on the first day of the next month following such payment by Landlord.

Section 9.2 Increase in Insurance Premiums

Tenant shall not keep, use, sell or offer for sale in or upon the Premises any article which may be prohibited by any insurance policy in force from time to time covering the Premises or the Retail Space. If (a) the occupancy or use of the Premises (even though permitted hereunder), (b) the conduct of business in the Premises, (c) the sale of merchandise from or on the Premises (whether or not Landlord has consented to the sale of such merchandise) or in any other portion of the Retail Space where permitted by Landlord, (d) any acts or omissions of Tenant in the Retail Space or any part thereof, or (e) any breach by Tenant of any of the provisions of this Lease, causes or results in any increase in insurance premiums or requires an increase in the amount of insurance carried from time to time by Landlord with respect to the Retail Space, then Tenant shall pay any such increase in premiums as Additional Rent forthwith after invoices for such additional premiums are rendered by Landlord. In determining whether increased premiums are caused by or result from the use or occupancy of the Premises, or the sale of any article therein or therefrom, a schedule issued by the organization computing the insurance rate on the Retail Space showing the various components of such rate shall be conclusive evidence of the several items and charges which make up such rate. Tenant shall, at its expense, comply promptly with all recommendations of any insurance rating and inspection authority or of any new insurer, now or hereafter in effect, pertaining to or affecting the Premises or the Retail Space.

Section 9.3 Cancellation of Insurance

If any insurance policy upon the Retail Space or any part thereof shall be cancelled or shall be threatened by the insurer to be cancelled, refused to be renewed or the coverage thereunder reduced in any way by the insurer by reason of the use and occupation of the Premises or any part thereof by Tenant or by any Transferee, or by anyone permitted by Tenant to be upon the Premises, and if Tenant fails to remedy the condition giving rise to cancellation, threatened cancellation or reduction of coverage within forty eight (48) hours after notice by Landlord, Landlord may, at its option, either (a) reenter and take possession of the Premises

forthwith by leaving upon the Premises a notice in writing of its intention so to do and thereupon Landlord shall have the same rights and remedies as are contained in Article 18, or (b) enter upon the Premises and remedy the condition giving rise to such cancellation, threatened cancellation or reduction, and Tenant shall forthwith pay the cost thereof to Landlord, and Landlord shall not be liable for any loss or damage caused to any property of Tenant or of others located on the Premises as a result of any such entry.

Section 9.4 Loss or Damage

Tenant agrees that Landlord shall not be liable or responsible in any way to Tenant or any other Person for (a) any Injury arising from or out of any occurrence in, upon, at or relating to the Retail Space or any part thereof or any loss or damage to property (including loss of use thereof) of Tenant or any other Person located in the Retail Space or any part thereof from any cause whatsoever, whether or not any such Injury, loss or damage results from any fault, default, negligence, act or omission of Landlord, or its agents, servants, employees or any other Person for whom Landlord is in law responsible; (b) (without limiting the generality of the foregoing provisions of this Section 10.4) any Injury to Tenant or any other Person or loss or damage to property resulting from: fire; smoke; earthquake; explosion; falling plaster, ceiling tiles, fixtures or signs; broken glass; steam; gas; fumes; vapours; odours; dust; dirt; grease; acid; oil; any Hazardous Substance; debris; noise; air or noise pollution; theft; breakage; vermin; electricity; computer or electronic equipment or systems malfunction or stoppage; water; rain; flood; flooding; freezing; tornado; windstorm; snow; sleet; hail; frost; ice; excessive heat or cold; sewage; sewer backup; toilet overflow; or leaks or discharges from any part of the Retail Space (including the Premises), or from any pipes, sprinklers, appliances, equipment (including, without limitation, heating, ventilating and air conditioning equipment), electrical or other wiring, plumbing fixtures, roof(s), windows, skylights, doors, trapdoors, or subsurface or any floor or ceiling of any part of the Retail Space, or from the street or any other place, or by dampness or climatic conditions, or from any defect in the Retail Space or any part thereof, or from any other cause whatsoever; (c) any Injury, loss or damage caused by other tenants or any Person in the Retail Space, or by occupants of adjacent property thereto, or by the public, or by construction or renovation, or by any private, public or quasipublic work, or by interruption, cessation or failure of any public or other utility service, or caused by Force Majeure; (d) any Injury to Tenant or any other Person or any loss or damage suffered to the Premises or the contents thereof by reason of Landlord or its representatives entering the Premises to undertake any work therein, or to exercise any of Landlord's rights or remedies hereunder, or in the case of emergency; (e) any Injury, loss or damage insured against or required to be insured against by Tenant under Section 9.1(a); (f) any Injury, loss or damage caused by an act or omission (including theft, malfeasance or negligence) on the part of the agent, contractor or Person from time to time employed by Tenant to perform janitor services, security services, supervision or any other work in or about the Premises or the Retail Space; (g) any loss or damage, however caused, to merchandise, stock in trade, money, securities, negotiable instruments, papers, or other valuables of Tenant; (h) any Injury, loss or damage resulting from interference with or obstruction of deliveries to or from the Premises; or (i) any Injury or damages not specified above to the person or property of Tenant, its agents, servants or employees, or any other Person entering upon the Premises under express or implied invitation of Tenant. Tenant expressly releases Landlord for any Injury or loss or damage to property caused by perils insured against or required to be insured against by Tenant pursuant to the provisions of Section 9.1(a)(i) hereof. Without limiting the generality of the provisions of this Section 9.4, (i) all property of Tenant kept or stored on the Premises shall be so kept or stored at the risk of Tenant only, and (ii) Tenant shall promptly indemnify and hold harmless

Landlord form and against any and all Claims arising out of or in connection with (A) any loss of or damage to such property, including loss of use thereof, and including, without limitation, any subrogation claims by Tenant's insurers, and (B) any Injury referred to in this Section 10.4. The intent of this Section 9.4 is that Tenant (and any Persons having business with Tenant) is to look solely to Tenant's insurers to satisfy any Claims which may arise on account of Injury, loss or damage, irrespective of the cause.

Section 9.5 Landlord's Insurance

Landlord shall, at all times throughout the Term, carry (a) all risks property insurance on the Retail Space and comprehensive boiler and machinery insurance on the equipment contained therein and owned by Landlord (specifically excluding any property with respect to which Tenant and other tenants are obliged to insure pursuant to Section 9.1 or similar sections of their respective leases), such insurances endorsed to cover the gross rental value of the Retail Space, all in such reasonable amounts and with such reasonable deductions as would be carried by a prudent owner of a reasonably similar shopping centre, having regard to size, age and location; (b) public liability and property damage insurance with respect to Landlord's operations in the Retail Space in such reasonable amounts and with such reasonable deductions as would be carried by a prudent owner of a reasonably similar shopping centre, having regard to size, age and location; and (c) such other form or forms of insurance as Landlord or the Mortgagee reasonably considers advisable. The cost of such insurance shall be included in Operating Costs. Notwithstanding Landlord's covenant contained in this Section 9.5 and notwithstanding any contribution by Tenant to the cost of Landlord's insurance premiums provided herein, Tenant agrees that: (i) Tenant is not relieved of any liability arising from or contributed to by its acts, fault, negligence or omissions, (ii) no insurable interest is conferred on Tenant under any policies of insurance carried by Landlord, and (iii) Tenant has no right to receive any proceeds of any such insurance policies carried by Landlord. In lieu of the above, Landlord may, at its option, selfinsure.

Section 9.6 Indemnification of Landlord

Notwithstanding any other terms, covenants and conditions contained in this Lease, Tenant shall promptly indemnify and hold harmless Landlord form and against any and all Claims in connection with any Injury or any loss or damage to property (a) arising from or out of this Lease, or any Alterations in, to or for the Premises, or any occurrence in, upon or at the Premises, or the occupancy or use by Tenant of the Premises, or any part thereof, or occasioned wholly or in part by any fault, default, negligence, act or omission of Tenant or by any Person permitted to be on the Premises by Tenant; and (b) arising from, relating to or occurring in, upon or at any part of the Retail Space (other than the Premises) occasioned in whole or in part by any fault, default, negligence, act or omission by Tenant or any of the directors, officers, servants, employees, contractors, agents, invitees and licences of Tenant and all other Persons over whom Tenant (i) may reasonably be expected to exercise control, and (ii) is in law responsible. If Landlord shall be made a party to any litigation commenced by or against Tenant, then Tenant shall promptly indemnify and hold harmless Landlord and shall pay Landlord all costs and expenses, including, without limitation, any professional, consultant and legal fees (on a solicitor and his own client basis) that may be incurred or paid by or on behalf of Landlord in connection with such litigation, as Additional Rent, on demand. Landlord may, at its option and at Tenant's expense, participate in or assume carriage of any litigation or settlement discussions relating to the foregoing or any other matter for which Tenant is required to indemnify Landlord under this Lease. Alternatively, Landlord may require Tenant

at Tenant's expense to assume carriage of and responsibility for all or any part of such litigation or discussions, subject to Tenant at all times keeping Landlord up to date in writing as to the status thereof. Without limiting the generality of the foregoing, Tenant shall also pay Landlord, as Additional Rent, on demand, all costs and expenses, including, without limitation, any professional, consultant, and legal fees (on a solicitor and his own client basis) that may be incurred or paid by or on behalf of Landlord in enforcing the terms, covenants and conditions in this Lease, interpreting or defining any terms or provisions contained in this Lease, or resulting from any requests for a Transfer.

ARTICLE 10 MAINTENANCE, REPAIRS AND ALTERATIONS

Section 10.1 Maintenance and Repairs by Tenant

Subject to Sections 10.2 and 10.3 and Article 11 hereof, Tenant shall, at Tenant's expense, at all times during the Term, continuously, actively and diligently keep, operate and maintain, as would a careful and prudent owner, in good order, safe, clean, first class condition and repair, as determined by Landlord (and promptly make, using first quality new materials, at Tenant's expense, all needed Alterations (whether major or minor) in, of, to, for or in connection with) the whole and each and every part of the Premises (both interior and exterior), including, without limitation, all of the following: entrances; glass; storefronts; walls; ceiling, floors, thresholds; exterior and interior windows and window frames; doors and door frames; signs (both interior and exterior); partitions; hardware; locks; mouldings; fixtures (including Trade Fixtures), improvements (including Leasehold Improvements); machinery, installations, equipment, systems, services and facilities located on, in, under, above or which serve, the Premises (including, without limitation, wiring, piping, lighting fixtures (including, without limitation, ballasts and lampage), plumbing fixtures, operating equipment and those portions of the electrical, plumbing, sprinkler, sewerage, heating, ventilating and air conditioning equipment and distribution systems which are not part of the Common Facilities); and, at Tenant's expense, (a) as and when required by Landlord, remove from the Premises any Hazardous Substance which may be in, or incorporated into, any part of the Premises, and (b) repaint, redecorate, renew and renovate the whole of the Premises (including, without limitation, all Leasehold Improvements, Trade Fixtures, chattels and decorations therein) at reasonable intervals designated by Landlord.

Because of the interdependence of mechanical and electrical systems and the increased load which a failure in Tenant's system places on Landlord's system(s), Landlord may institute a preventive maintenance program for electrical, heating or ventilating equipment situated in the Premises, unless, in circumstances where Tenant is required to maintain and repair, Tenant can prove to the satisfaction of Landlord that Tenant has entered into service contracts with reputable and competent service contractors for electrical, heating and ventilating equipment contained therein. The cost of Landlord's program, if required, shall be charged to Tenant at competitive prices and shall be paid by Tenant to Landlord as Additional Rent on demand. The entry by Landlord on the Premises to perform such services shall not constitute a wrongful entry or a breach of the covenant for quiet enjoyment.

Section 10.2 Landlord's Approval of Tenant's Alterations

Tenant shall not make Alterations of, to, in or for the Premises or any part thereof without in each instance first obtaining Landlord's written approval thereto. Prior to commencing any such Alterations, Tenant shall submit to Landlord: (a) details of the proposed

Alterations, including detailed drawings and specifications prepared at Tenant's expense by qualified architects or engineers and conforming to good architectural or engineering practice; (b) such indemnification or security against Claims and liens with respect to such Alterations as Landlord requires; (c) evidence satisfactory to Landlord that Tenant has obtained, at Tenant's expense, all necessary consents, approvals, permits, clearances, licences and inspections from all Authorities; and (d) evidence of such increases in Insurance as Landlord or the Mortgagee requires. Tenant shall perform, or cause to be performed, such Alterations: (i) at the sole cost and expense of Tenant; (ii) by competent workers whose labour union affiliations are compatible with others employed by Landlord and its contractors; (iii) as expeditiously and as diligently as possible, in a good and workmanlike manner and using first quality new materials and new equipment; (iv) in accordance with the drawings and specifications approved in writing by Landlord and the requirements of all Authorities; (v) subject to such rules, regulations and controls as are designated by Landlord; and (vi) at the risk of Tenant. The Alterations shall be subject to supervision or inspection by Landlord or its authorized agents. Tenant shall pay all Landlord's costs and expenses in connection with the Alterations, including, without limitation, the costs of supervising and inspecting the Alterations, and the cost of examination of Tenant's drawings and specifications by Landlord's architects, engineers and other consultants, which shall be paid by Tenant to Landlord on demand as Additional Rent. Any such Alterations made by Tenant to the Premises without the prior written consent of Landlord or which are not made in accordance with the drawings and specifications approved by Landlord shall, if requested by Landlord, be immediately removed by Tenant at Tenant's expense and the Premises restored to their previous condition, failing which Landlord may, at its option, without notice to Tenant and without any liability on Landlord's part, enter the Premises and remove them at Tenant's expense, which shall be paid by Tenant to Landlord as Additional Rent on demand. Despite anything contained in this Lease to the contrary, Landlord may require that Tenant, upon the expiration or early termination of this Lease, shall at Tenant's sole expense, restore the Premises to the condition that the Premises were in prior to such Alterations. Tenant agrees that such removal by Landlord is not a reentry or a breach of any covenant for quiet enjoyment contained in this Lease.

However, if in Landlord's opinion, the proposed Alterations or any of them may affect the structure of all or any part of the Retail Space, or any of the heating, ventilating, air conditioning, plumbing, electrical, mechanical or other base building systems in all or any part of the Retail Space, the Alterations (or the appropriate portions of them) shall, at Landlord's option, be performed only by Landlord, but in all cases at Tenant's sole cost and expense. Upon completion thereof, Tenant shall pay to Landlord, as Additional Rent upon demand, Landlord's costs relating to any such Alterations, including the fees and expenses of any architectural, engineering or other consultants or professionals, plus a sum equal to twenty percent (20%) of the total cost thereof representing Landlord's overhead. No Alterations to the Premises by or on behalf of Tenant shall be permitted which in Landlord's opinion may weaken or endanger the structure or adversely affect the condition, safety or operation of the Premises or the Retail Space or diminish the value thereof, or impair the use of all or any part of the Common Facilities, or restrict or reduce Landlord's coverage for zoning purposes, or cause Landlord to provide additional parking spaces.

Section 10.3 Maintenance by Landlord

Subject to Article 11 hereof, Landlord shall at all times throughout the Term, maintain and repair, or cause to be maintained and repaired, as would a prudent owner of a reasonably similar retail space, the structure of the Retail Space, including, without limitation, the

foundations, exterior wall assemblies, including weather walls, subfloors, roofs, bearing walls and structural columns and beams of the Retail Space. If Landlord is required, because of the business carried on by Tenant, to perform such maintenance or make such repairs by reason of the application of laws or ordinances or the direction, rules or regulations of any duly constituted regulatory, governmental or quasigovernmental body, or by reason of any fault, default, negligence, omission, want of skill, carelessness, neglect, misuse, act or misconduct of Tenant or those for whom Tenant is responsible in law, Tenant shall be liable and responsible for the total cost of any such maintenance and repairs, which shall be paid by Tenant to Landlord as Additional Rent upon demand.

If Tenant refuses or neglects to carry out any maintenance and Alterations properly as required pursuant to Section 10.1 hereof, and to the satisfaction of Landlord, Landlord may, but shall not be obliged to, perform such maintenance and Alterations, without liability on its part and without being liable for any loss or damage that may result to Tenant's merchandise, fixtures or other property or to Tenant's business by reason thereof, and, upon completion thereof, Tenant shall pay to Landlord Landlord's costs relating to any such maintenance and Alterations as Additional Rent upon demand. Tenant agrees that the making of any maintenance or Alterations by Landlord pursuant to this Section 10.3 is not a reentry or a breach of any covenant for quiet enjoyment contained in this Lease.

Section 10.4 Repair on Notice

In addition to the obligations of Tenant contained in Section 10.1 hereof, Tenant shall effect all work referred to therein according to notice from Landlord but failure to give notice shall not relieve Tenant from its obligations under Section 10.1.

Section 10.5 Surrender of the Premises

At the expiration or sooner termination of this Lease and without notice, Tenant shall at its expense (a) peaceably surrender and yield up vacant possession of the Premises to Landlord in a clean, broom swept and tidy condition and in as good condition and state of repair as Tenant is required to maintain the Premises throughout the Term, (b) surrender all keys and security devices for the Premises to Landlord at the place then fixed for the payment of Minimum Rent and inform Landlord of all combinations of all locks, safes and vaults of any kind and the code for any security devices, in or for the Premises, (c) remove all Tenant's Trade Fixtures and such Leasehold Improvements as Landlord shall, at Landlord's option, upon notice to Tenant, require (pursuant to Section 10.7 hereof) to be removed and Tenant shall immediately repair, at its expense, all damage to the Premises caused by their removal, (d) remove any material which may be deemed by any application legislation, or by any Authority, or by Landlord, as a Hazardous Substance which has been brought onto the Premises by Tenant or which is a result of Tenant's use or occupation of the Premises, and Tenant shall immediately repair, at Tenant's expense, all damages to the Premises caused by such removal; (e) replace the face within any sign box used by Tenant with a white blank acrylic plastic face; and (f) wash the floors, windows, doors, walls and woodwork of the Premises, and remove any rubbish or waste material. If the Premises are not surrendered at the time and in the manner set out in this Section 10.5, Tenant shall promptly indemnify and hold harmless Landlord from and against any and all Claims resulting from the delay by Tenant in so surrendering the Premises, including, without limitation, any Claims made by any succeeding tenant or occupant founded on such delay. Tenant's obligation to observe and perform the provisions of this Section 10.5 shall survive the expiration or earlier termination of this Lease.

Section 10.6 Repair Where Tenant at Fault

Notwithstanding any other terms, covenants and conditions contained in this Lease, if the Retail Space or any part thereof including, without limitation, the Common Facilities (including those Common Facilities within or passing through the Premises), or any equipment, machinery, systems, facilities or improvements contained therein or made thereto, or the roof or outside walls of the Retail Space or any other structural portions or components thereof, require repair, replacement or alteration or become damaged or destroyed through the fault, default, negligence, want of skill, carelessness, neglect, misuse, act, misconduct or omission (including, without limitation, failure or want of repair on Tenant's part) of Tenant, or those for whom Tenant is responsible in law, or because of the requirements of any Authorities relating to Tenant's conduct of business or through Tenant in any way stopping up or damaging the heating, ventilating or air conditioning apparatus, water pipes, drainage pipes or other equipment, systems or facilities or parts of the Retail Space, the cost of the resulting repairs, replacements or alterations shall be paid by Tenant to Landlord as Additional Rent on demand.

Section 10.7 Removal and Restoration by Tenant

- (a) All Leasehold Improvements in, on, for, or which serve, the Premises, shall immediately become the absolute property of Landlord upon affixation or installation, without compensation therefor to Tenant, but Landlord shall have no obligation to repair, replace, operate, maintain, insure or be responsible in any way for them, all of which shall be Tenant's responsibility. No Leasehold Improvements or Trade Fixtures shall be removed by, or on behalf of, Tenant from the Premises or elsewhere in the Retail Space either during or at the expiration or earlier termination of this Lease except that:
 - (i) Tenant may during the Term in the usual or normal course of its business and with the prior written consent of Landlord remove its Trade Fixtures from the Premises, if such Trade Fixtures have, in Landlord's opinion, become excess for Tenant's purposes or if Tenant is substituting new and similar Trade Fixtures therefore, but only if in each case (A) Tenant is not in default under this Lease, and (B) such removal is done at Tenant's sole cost and expense; and
 - (ii) Tenant shall, at the expiration or earlier termination of this Lease, at its own cost and expense, remove from the Premises (A) all its Trade Fixtures, and (B) such Leasehold Improvements as Landlord at its option, upon notice to Tenant, requires to be removed.
- (b) If Tenant does not remove its Trade Fixtures at the expiration or earlier termination of the Term pursuant to Section 10.7(a)(ii) hereof, such Trade Fixtures shall, at the option of Landlord, thereupon become the property of Landlord, without compensation therefore to Tenant and without notice to Tenant, and Landlord may enter the Premises and remove such Trade Fixtures, without liability on Landlord's part, at Tenant's expense, which shall be paid by Tenant to Landlord as Additional Rent on demand, and such Trade Fixtures may, without notice to Tenant or to any other Person and without obligation to account for them, be sold, destroyed, disposed of or used by Landlord in such

manner as Landlord determines, or may be stored in a public warehouse or elsewhere; all at Tenant's expense, which shall be paid by Tenant to Landlord as Additional Rent on demand.

- (c) If Tenant does not remove the Leasehold Improvements requested by Landlord at the expiration or earlier termination of this Lease pursuant to Section 10.7(a)(ii) hereof, Landlord may, without liability on Landlord's part, and without notice to Tenant, enter the Premises and remove such Leasehold Improvements at Tenant's expense, which shall be paid by Tenant to Landlord as Additional Rent on demand, and such Leasehold Improvements may, without notice to Tenant or to any other Person and without obligation to account for them, be sold, destroyed, disposed of, or used by Landlord in such manner as Landlord determines, or may be stored in a public warehouse or elsewhere, all at Tenant's expense, which shall be paid by Tenant to Landlord as Additional Rent on demand.
- (d) Tenant, at its expense, shall, in the case of every such installation or removal, either during or at the expiration or earlier termination of this Lease, effect such installation or removal and immediately make good any damage caused to the Premises or the Retail Space by the installation or removal of any such Trade Fixtures or Leasehold Improvements. Tenant agrees that each and every such installation or removal shall take place only at a time or times designated by Landlord and in the presence of Landlord or its representative.
- (e) If Tenant removes, or commences, attempts or threatens to remove any of the goods, Trade Fixtures, equipment, furniture, stock-in-trade, chattels or inventory (collectively, "Items") of or belonging to Tenant in the Premises (contrary to the provisions of this Section 10.7 or any other provision of this Lease), Tenant hereby consents (without limiting any of Landlord's other rights or remedies hereunder) to Landlord's obtaining an injunction in a court of competent jurisdiction to restrain Tenant from removing any of such Items from the Premises, and Tenant shall pay to Landlord all fees (including, without limitation, all professional fees and all legal fees on a solicitor and his client basis) and expenses incurred by or on behalf of Landlord with respect to obtaining such injunction, which shall be paid by Tenant to Landlord as Additional Rent on demand.
- (f) Tenant's obligation to observe and perform the provisions of this Section 10.7 shall survive the expiration or earlier termination of this Lease.

Section 10.8 Notice by Tenant

Tenant shall, when it becomes aware of it or when Tenant, acting reasonably, should have become aware of it, notify Landlord of any damage to, or deficiency or defect in, any part of the Retail Space, including the Premises, and any equipment or utility systems, or any installations located therein, notwithstanding the fact that Landlord may have no obligations with respect thereto.

Section 10.9 Tenant to Discharge all Liens

In connection with the making, erection, installation or alteration of any work or installations made by or for Tenant in the Premises, Tenant shall comply with all the provisions of the Builder's Lien Act (British Columbia), as amended or substituted from time to time, and other statutes from time to time applicable thereto (including any provision requiring or enabling the retention of portions of any sums payable by way of holdbacks) and, pursuant to such Act or such other statutes, shall post and maintain written notice in at least two (2) conspicuous places within the Premises, stating that Landlord will not be responsible for the improvements. Tenant will not create any mortgage, conditional sale agreement or other encumbrance in respect of any of its leasehold improvements or trade fixtures or permit any such mortgage, conditional sale agreement or other encumbrance to attach to the Premises without the prior written consent of Landlord. If and whenever any builder's lien or other lien for work, labour, service or materials supplied to or for Tenant or for the cost of which Tenant may be in any way liable, or claims therefore, shall arise or be filed or any such mortgage, conditional sale agreement or other encumbrance shall attach without the prior written consent of Landlord, Tenant shall within fifteen (15) days after receipt of notice thereof procure the discharge thereof, including any *lis pendens* registered in respect of any lien, by payment or giving security or in any other such manner as may be required or permitted by law. This paragraph shall not prevent Tenant from mortgaging or encumbering its chattels, furniture or equipment which are not fixtures.

Section 10.10 Signs and Advertising

Tenant shall not paint, affix, display or cause to be painted, affixed or displayed, any Sign on any part of the exterior or interior of the Premises without, in each instance, first obtaining, at Tenant's expense, the written approval of Landlord, which approval may be unreasonably withheld, and all permits, licences and consents of all Authorities (and promptly providing Landlord with a copy thereof) and Landlord, if it is prepared to give its approval, shall have the right to prescribe the size, materials, colours, design features, pattern, language, wording, appearance, method of installation, location, illumination and any other specifications of any Sign. Further, if Landlord objects to any Sign, Tenant shall immediately remove such Sign at Tenant's expense, failing which Tenant agrees that Landlord may, without liability on Landlord's part and without notice to Tenant, enter the Premises and remove such Sign at Tenant's expense, which shall be paid by Tenant to Landlord as Additional Rent on demand. Tenant shall not permit any mobile sign of any kind including, without limitation, sandwich boards, in the Retail Space.

Tenant at its expense shall (after first obtaining the approval of Landlord and the consent of all Authorities as aforesaid) erect, operate, maintain, repair and replace an exterior identification sign or signs of a type or types and in a location or locations specified in writing by Landlord and in accordance with Landlord's sign policy for the Retail Space. Landlord may require that any such exterior sign ("exterior sign") be illuminated in which event Tenant shall, at Tenant's expense, illuminate such exterior sign during such hours as Landlord designates from time to time. The glass or plastic panel or face of any such exterior sign shall be a Trade Fixture. Tenant shall pay for the electricity consumed by such exterior sign.

If the electricity consumption for any Tenant's Signs is not separately metered, Tenant shall pay to Landlord as Additional Rent, on demand, such portion of the cost of such electricity for any such Sign as is equitably apportioned to the Premises by Landlord. Tenant shall promptly indemnify and hold Landlord harmless from and against any and Claims with respect to any Tenant's Sign (including, without limitation, any loss or damage caused to any property or any

Injury caused to any Person as a result of the placing, use, removal, dislodgement or collapse of any such Sign). At the expiration or earlier termination of this Lease, Tenant shall, at Tenant's expense, remove any Sign from the Premises which Landlord at its option, upon notice to Tenant, requires to be removed, and immediately repair all damage caused by any such removal. Tenant's obligation to observe this covenant shall survive the expiration or earlier termination of this Lease.

Tenant hereby waives all statutory rights now or in the future granted under any municipal bylaw in respect of any sign or signs that Landlord erects in all or any part of the Retail Space, and shall execute immediately, on Landlord's request, waivers, certificates or other documents in order to give effect to this waiver.

Section 10.11 Pest Extermination

In order to maintain satisfactory and uniform pest and rodent control throughout the Retail Space, Tenant shall engage for the Premises at its cost such extermination contractor as Landlord directs and at such intervals as Landlord requires. At Landlord's option, Tenant shall participate in (and grant access to the Premises to any Persons engaged in the operation of) any pest control system which may be established by Landlord for tenants of the Retail Space, and shall pay to Landlord (or directly to Landlord's contractor, if Landlord so directs) as Additional Rent, on demand, all costs and fees incurred in rendering pest control services to or for the benefit of the Premises.

ARTICLE 11 DAMAGE AND DESTRUCTION AND EXPROPRIATION

Section 11.1 Destruction of the Premises

- (a) If the Premises are at any time destroyed or damaged (including, without limitation, by smoke and water damage), and if as a result of such occurrence:
 - (i) the Premises are rendered untenable in part only, this Lease shall continue in full force and effect and Landlord shall, subject to Section 11.2(a) hereof, commence diligently to repair or reconstruct the Premises, (but to the extent only of Landlord's Work, if any, set out in Schedule "C" hereof, and exclusive of Tenant's Work as therein set out), and only Minimum Rent (but not Additional Rent or Percentage Rent) shall abate proportionately to the portion of the Premises rendered untenable from the date of the destruction or damage until the date of Landlord's Work, if any, set out in Schedule "C" is substantially completed (the "Repair Period"); or
 - (ii) the Premises are rendered wholly untenable, Landlord shall, subject to Section 11.2(a) hereof, commence diligently to repair or reconstruct the Premises (but to the extent only of Landlord's Work, if any, set out in Schedule "C" hereof, and exclusive of Tenant's Work as therein set out) and only Minimum Rent (but not Additional Rent or Percentage Rent) shall abate entirely during the Repair Period; or

- (iii) the Premises are not rendered untenable in whole or in part, this Lease shall continue in full force and effect, and the Rent payable by Tenant hereunder shall not terminate, be reduced or abate.
- (b) Upon Tenant's being notified in writing by Landlord that Landlord's Work, if any, as set out in Schedule "C" has been substantially completed, Tenant shall forthwith complete all Tenant's Work including, without limitation, such work as is set out in Schedule "C", and all work required to restore fully the Premises for business fully fixtured, stocked and staffed (in any case, without the benefit of any capital allowance, inducement to lease, or other payments made at the time of, or in conjunction with, the original construction of the Premises by Landlord to Tenant in connection with the work set out in Schedule "C"). Tenant shall diligently complete Tenant's Work and, if the Premises have been closed for business, forthwith reopen for business to the public, fully fixtured, stocked and staff, but in any event not later than thirty (30) days after notice that Landlord's Work is substantially completed.
- (c) Nothing in this Section 11.1 shall (i) require Landlord to (A) restore, repair or replace any Leasehold Improvements, inventory, furniture, chattels, signs, contents, fixtures (including Trade Fixtures) which are personal property of Tenant located on, in, under, above, or which serve, the Premises, or (B) rebuild the Premises in the condition and state that existed before any such occurrence, or (ii) be construed to permit the abatement in whole or in part of Percentage Rent.
- (d) The dollar amount stipulated in Section 4.3(a) shall, for the purpose of computation of Percentage Rent, be reduced during the Repair Period in the same proportion as the Minimum Rent is reduced or abated pursuant to Section 11.1(a)(i) or (ii) hereof, as the case may be.
- (e) Despite anything contained to the contrary in this Section 11.1 and without limiting Landlord's rights or remedies hereunder, Minimum Rent shall not be abated under this Section 11.1 if in Landlord's opinion any such damage or destruction is caused by any fault, neglect, default, negligence, act or omission of Tenant or those for whom Tenant is in law responsible or any other Person entering upon the Premises under express or implied invitation of Tenant.

Section 11.2 Destruction of the Retail Space

- (a) If at any time:
 - (i) twenty five percent (25%) or more of the Rentable Area of the Retail Space is at any time destroyed or damaged (including, without limitation, by smoke and water damage) as a result of fire, the elements, accident or other casualty, whether or not the Premises are affected by such occurrence; or
 - (ii) twenty five percent (25%) or more of the area of the Common Facilities (excluding the area of the parking facilities) or twenty percent (20%) or more of the area of the parking facilities is at any time destroyed or

damaged (including, without limitation, by smoke and water damage) as a result of fire, the elements, accident or other casualty, whether or not the Premises are affected by such occurrence;

then, upon any of the events set out in this Section 11.2(a)(i) or (ii) occurring, Landlord may, despite the provisions of Section 11.1 hereof, at Landlord's option (to be exercised by written notice to Tenant within ninety (90) days following any such occurrence), elect to terminate this Lease. In the case of such election, the Term and the tenancy hereby created shall expire on the thirtieth (30th) day after such notice is given, without indemnity or penalty payable or any other recourse by one party to or against the other and Tenant shall, within such thirty (30) day period, vacate the Premises and surrender them to Landlord with Landlord having the right to reenter and repossess the Premises discharged of this Lease and to expel all Persons and remove all property therefrom. All Rent shall be due and payable without reduction or abatement subsequent to the destruction or damage and until the date of termination, unless the Premises shall have been destroyed or damaged as well, in which event the provisions of Section 11.1 hereof shall apply.

- (b) If all or any part of the Retail Space is at any time destroyed or damaged as set out in Section 11.2(a), and Landlord does not elect to terminate this Lease in accordance with the rights hereinbefore granted, Landlord shall, following such destruction or damage, commence diligently to reconstruct (including any demolition in order to reconstruct), rebuild or repair, if necessary, that part of the Retail Space immediately adjacent to the Premises, as determined by Landlord, but to the extent only of Landlord's responsibilities pursuant to the terms of the various leases or other agreements for premises in the Retail Space and exclusive of any tenant's responsibilities set out therein. If Landlord elects to repair, reconstruct or rebuild the Retail Space or any part thereof, Landlord may use plans and specifications and working drawings other than those used in the original construction of the Retail Space or any part thereof.
- (c) Despite anything contained in this Lease to the contrary, and without limiting Landlord's right or remedies hereunder, (i) if in Landlord's opinion any such damage or destruction is caused by any fault, neglect, default, negligence, act or omission of Tenant or those for whom Tenant is in law responsible or any other Person entering upon the Premises under express or implied invitation of Tenant, then Landlord may, without obligation or liability to Tenant, terminate this Lease on thirty (30) days' written notice to Tenant and all Rent shall be adjusted as of, and Tenant shall vacate and surrender the Premises on, such termination date, and (ii) if at any time during the Term of this Lease or any renewal or extension thereof, Landlord intends to demolish, renovate, extend or expand the Retail Space or any part thereof, or sell or dispose of Landlord's interest in the Retail Space or any part thereof, then Tenant agrees that Landlord, without liability or obligation to Tenant, shall have the right to terminate this Lease, upon written notice to Tenant, given by Landlord to Tenant at least six (6) months prior to the date of termination of this Lease, and upon such termination date Tenant shall surrender and deliver up vacant possession of the Premises in accordance with the provisions of this Lease, all Rent shall be adjusted as of such termination date, and Tenant, at Tenant's expense, shall promptly execute

all documents and other assurances that are required to give effect to the provisions of this Section 11.2(c)(ii).

Section 11.3 Expropriation

Both Landlord and Tenant agree to cooperate with each other in respect of any expropriation of all or any part of the Premises or any other part of the Retail Space, so that each may receive the maximum award in the case of any expropriation to which they are respectively entitled at law. If and to the extent that any portion of the Retail Space other than the Premises is expropriated, then the full proceeds accruing therefrom or awarded as a result thereof shall belong solely to Landlord, and Tenant shall abandon or assign to Landlord any rights which Tenant may have or acquire by operation of law to such proceeds or award and shall promptly execute such documents as in the opinion of Landlord are or may be necessary to give effect to this provision.

If, at any time:

- (a) more than twenty percent (20%) of the Rentable Area of the Retail Space, or
- (b) more than twenty percent (20%) of the area of the Common Facilities (excluding the area of the parking facilities), or
- (c) more than ten percent (10%) of the area of those Common Facilities which are exterior or adjacent to the buildings forming part of the Retail Space,

is acquired or expropriated by any lawful expropriating authority, or if reasonable access to the Premises is materially and adversely affected by any such acquisition or expropriation, then in any of such events, at the option of Landlord, this Lease shall cease and terminate as of the date of the interest acquired or expropriated vesting in such expropriating authority and Tenant shall have no claim against Landlord for the value of any unexpired Term or for damages or for any reason whatsoever. If Landlord does not so elect to cancel this Lease by notice as aforesaid, this Lease shall continue in full force and effect without any reduction or abatement of Rent, but if any part of the Premises is expropriated and as a result thereof the area of the Premises is physically reduced, then from and after the date of such physical reduction, the Rentable Area of the Premises shall be adjusted to take into account any such reduction in area, the Minimum Rent payable by Tenant pursuant to Section 4.2 shall be adjusted on the basis of the rental rate set out therein, and the dollar amount set out in Section 4.3(a) hereof shall be reduced in the same proportion as the Minimum Rent is reduced.

ARTICLE 12 ASSIGNMENT, SUBLETTING AND CHANGE OF CONTROL

Section 12.1 Assignment

Tenant shall not assign its leasehold interest in the Premises save and except upon the written consent of Landlord, which consent Landlord may not unreasonably withhold but nevertheless if there are personal covenants herein on the part of Tenant which, in the opinion of Landlord's solicitors will not run with the Lease, then Landlord may withhold its consent to assignment unless the prospective assignee covenants with Landlord to be bound by such personal covenants as if such covenants had been made between Landlord and the prospective

assignee. The Landlord will be deemed to be acting reasonably if an assignment is withheld pursuant to Article 12.7.

Section 12.2 Subleasing

Tenant shall not sublease, licence, set over or otherwise part with possession of the Premises or let any third party into possession of the Premises save and except upon written consent of Landlord, which consent Landlord may not unreasonably withhold.

Section 12.3 Assignment of Sublease Rent

Notwithstanding section 12.2 hereof, Tenant hereby assigns to Landlord all rents and fees payable to Tenant under any sublease, licence or occupation agreement with any third party, which assignment shall supersede any provisions regarding Tenant in bankruptcy and any claims of the creditors of Tenant whether by execution, attachment, garnishing order or otherwise PROVIDED HOWEVER Landlord agrees to refrain from enforcing the said assignment so long as Tenant shall not be in default in the payment of rent or the performance or observance of its covenants hereunder. Upon Tenant falling into default in the payment of its rent or the performance or observance of its other covenants hereunder, Landlord may forthwith direct the sublessee, licencee or such other third party to pay to Landlord the sublease rent, licence fees or other monies as would otherwise be owing to Tenant from time to time and the payment of such monies to Landlord shall pro tanto discharge the sublessee's, licencee's or other third party's obligations to Tenant and Landlord shall apply such monies to the rent and the performance and observance of Tenant's covenants hereunder notwithstanding any claims on the part of Tenant's trustee in bankruptcy or Tenant's creditors, whether by execution, attachment, garnishing order or otherwise. If the sublessee, licencee or other third party fails to abide by Landlord's directions in this behalf then, at Landlord's election, the sublease, licence or other third party agreement shall cease and determine and Landlord may forthwith reenter the subleased, licenced or occupied portion of the Premises and arrange for new occupants thereof whose occupation shall be subject to the provisions of this paragraph.

Section 12.4 Mortgage of Lease

Under no circumstances whatever may this Lease be mortgaged by way of sublease. This Lease may only be mortgaged by way of an assignment but only then upon such terms and conditions as Landlord may agree but under no circumstances shall Landlord's fee simple title to the Premises be subordinated to any mortgage nor shall Landlord's right of distraint be postponed, subordinated or diminished in favour of any mortgagee.

Section 12.5 Collecting Rent from Transferee

Landlord may, without prejudice to any of its rights under this Lease, collect Rent from the assignee, subtenant or occupant (collectively, "Transferee") and apply the amount collected to the Rent required to be paid pursuant to this Lease, but no acceptance by Landlord of any payments by a Transferee shall be deemed a waiver of the requirement for Landlord to consent to the Transfer, or the acceptance of the Transferee as Tenant, or a release of Tenant's continuing primary liability for the performance by Tenant of all the terms, covenants and obligations on the part of Tenant herein contained.

Section 12.6 Landlord's Option

If Tenant intends to effect any assignment of this Lease in whole or in part, or any subletting of all or any part of the Premises, or any mortgage, pledge, hypothecation, charge or any other encumbrance of this Lease or the Premises or any part thereof, or any occupation of, parting with or sharing possession of all or any part of the Premises by any Person (collectively, "Transfer"), then and so often as such event shall occur, Tenant shall give prior written notice to Landlord of such intent, and shall, together with such notice, provide Landlord with such credit, financial and business information relating to the principals thereof, and if married, their spouses, and the proposed Transferee and any indemnitor and such other information, material and documentation with respect to such intended Transfer, as Landlord or the Mortgagee requires, including without limitation: (a) the full name, address, postal code and telephone number of each proposed Transferee, including, if any such proposed Transferee is a corporation, a list of the full names, addresses, postal codes and telephone numbers of all of the directors, officers and shareholders (or in the case of a change of control, those Persons who would subsequently acquire effective voting control); (b) a detailed breakdown of the proposed Transferee's prior business experience (including experience in the business for which the Premises are to be operated pursuant to this Lease) and qualifications; (c) detailed information concerning the financial status, strength and stability of the proposed Transferee, including, without limitation, bank particulars (including the full name, address, postal code and telephone number of the proposed Transferee's bank, branch and manager, and the debit or credit balance in the Transferee's account), and other credit references, audited financial statements of the Transferee, accompanied by auditor's reports for the three (3) years immediately preceding the proposed Transfer, or, if unavailable, financial statements of the Transferee prepared by an I.C.A. for the three (3) years immediately preceding the proposed Transfer (and the term "bank" as used in this Section 12.6(c) means any bank, trust company, caisse populaire, credit union or any other financial institution and includes any creditor of the Proposed Transferee to whom the proposed Transferee is indebted), and (d) detailed particulars of the proposed Transfer, including all its terms and copies of any executed offers, agreements or other documents which contain the terms of the transaction, sources of funding for the business, and a detailed breakdown as to how the purchase price was arrived at, and Landlord, shall, within thirty (30) days after having received such notice together with all such information, material and documentation, notify Tenant in writing either (i) that it consents or does not consent to the Transfer in accordance with the provisions and qualifications in this Article 12, or (ii) despite any provision of this Lease or any statutory provision or other law to the contrary, that it elects to terminate this Lease in preference to giving or refusing its consent to the Transfer. If Landlord elects to terminate this Lease, the Term and the tenancy hereby created shall expire, without liability to Landlord, on the fourteenth (14th) day after such notice is given, and Tenant shall, within such fourteen (14) day period, vacate the Premises and surrender them to Landlord with Landlord having the right to reenter and repossess the Premises discharged of this Lease and to expel all Persons and remove all property therefrom. All Rent shall be due and payable by Tenant without reduction or abatement until such expiration date.

Section 12.7 Landlord's Consent

Tenant will not effect or attempt to effect a Transfer without the prior written consent of Landlord which shall not be unreasonably withheld unless Landlord elects to terminate the Lease pursuant to Section 12.6. Landlord shall be deemed to be acting reasonably in withholding its consent if:

- (a) the Transfer would violate any covenant or restriction given to any other tenant of the Project;
- (b) in Landlord's opinion:
 - (i) either the financial background or the business history and capability of the proposed Transferee is not satisfactory; or
 - (ii) the nature or character of the proposed business of the proposed Transferee is such that it might harm Landlord's business or reputation or reflect unfavourably on the Project, Landlord, or other tenants of the Project, or the image of any of them, or is unethical, immoral or illegal;
- (c) the proposed Transferee or any principal of the proposed Transferee or any principal shareholder of the proposed Transferee has a history of defaults under other commercial leases or does not have a satisfactory history of compliance with laws;
- (d) Landlord at the time has, or will have in the next ensuing three (3) month period, other premises in the Project suitable for leasing to the proposed Transferee;
- (e) the proposed Transferee has agreed to pay to the proposed Transferor some form of consideration that is reasonably attributable to the value of the Premises or to any Leasehold Improvements;
- (f) the proposed Transfer is in favour of any existing tenant or occupant of the Project;
- (g) the amount of rent to be paid by the proposed Transferee is less than that provided for in this Lease or the terms of the proposed Transfer are otherwise in any respect more favourable to the proposed Transferee than those of this Lease are to Tenant;
- (h) the proposed Transfer is a mortgage, charge or other encumbrance of Tenant's rights or interest under this Lease;
- (i) an event of default on the part of Tenant hereunder has occurred and is continuing or any notice of default was given by Landlord to Tenant in the preceding twelve (12) month period;
- (j) the proposed Transfer is a sublease by an existing sublessee of the Premises or any part thereof;
- (k) the likely effect of the Transfer on the merchandise mix of the Project may be adverse;
- (l) the Transfer is within the first twelve (12) months of the Commencement Date;
- (m) the length of time remaining in the Term is less than twelve (12) months;
- (n) the Transferee does not have a history of successful business operations in the business to be conducted in the Premises;
- (o) the length of time since the previous Transfer is less than twelve (12) months
- (p) there is reasonable ground to believe that the proposed Transfer may result in a reduction of Gross Revenue;
- (q) Landlord does not receive sufficient information to enable it to make a determination concerning the matters set out above; or
- (r) there is any other reasonable ground not stated above for withholding consent.

Section 12.8 No Advertising of Premises

Tenant shall not advertise the whole or any part of the Premises or this Lease for the purposes of a Transfer and shall not print, publish, post, display or broadcast any notice or advertisement to that effect and shall not permit any broker or other Person to do any of the

foregoing, unless the complete text and format of any such notice, advertisement or offer is first approved in writing by Landlord. Without in any way restricting or limiting Landlord's right to refuse any text or format on other grounds, any text or format proposed by Tenant shall not contain any reference to the rental rate of the Premises.

Section 12.9 Disposition by Landlord

Landlord shall be liable for the performance of its covenants and obligations pursuant to this Lease only during the period of its ownership of, or interest in, the Retail Space or any part thereof, and in the event of any sale, lease or other disposition of the Retail Space or any part thereof, of the assignment of this Lease or any interest of Landlord hereunder, Landlord shall thereupon and without further agreement be relieved of all liability with respect of such covenants and obligations, and Tenant shall thereafter look solely to Landlord's success or in interest in and to this Lease. Tenant shall immediately upon request, and without charge to Landlord, attorney in writing to such success or in interest. Landlord shall have the unrestricted right to sell, lease, convey or otherwise dispose of all or any part of the Retail Space or any interest of Landlord in this Lease.

ARTICLE 13 ACCESS AND ALTERATIONS

Section 13.1 Right of Entry

- (a) Landlord and its agents have the right to enter the Premises at all times to examine the Premises, to enforce or carry out any provisions of this Lease, and to make such Alterations to the Premises or the Retail Space or any part thereof or to any adjacent property as Landlord considers necessary or desirable, including, without limitation, the right to use, install, construct, maintain, replace or repair any utility lines, pipes, roof drainage pipes, cables, conduits, wiring, ducts or other installations, equipment, facilities, services and systems of any kind in or through ceiling space, column space or any other parts of the Premises for or in connection with the supply of any services to the Premises or to any other part of the Retail Space and, for such purpose, Landlord may, without limitation, take all material into and upon the Premises which is required therefor, have access to the underfloor, ducts, access panels and mechanical shafts, have the right to check, calibrate, adjust and balance controls and other parts of the HVAC System and climate control system, and attach scaffolds or other temporary fixtures to, in or upon the Premises, without any of this constituting a reentry or a breach of any covenant for quiet enjoyment contained in this Lease or implied by law. Tenant shall not unduly obstruct any pipes, conduits, ducts and mechanical shafts so as to prevent reasonable access thereto. The Rent required to be paid pursuant to this Lease shall not abate or be reduced while any such entry or Alterations are being made because of loss or interruption of business of Tenant, inconvenience, disturbance or otherwise, and Landlord shall not be liable to Tenant for any Injury caused to Tenant or any other Person or for any loss or damage to the property of Tenant or of other located on the Premises as a result of such entry or such Alterations.
- (b) Landlord and its agents have the right to enter the Premises at all times to show them to prospective purchasers, lessees, insurers or Mortgagees, and during the twelve (12) months prior to the expiration of the Term Landlord may place on

the Premises the usual "For Rent" or "For Sale" notices, which Tenant shall permit to remain thereon without molestation or complaint.

- (c) If Tenant is not personally present to open and permit an entry into the Premises at any time when for any reason an entry therein is necessary permissible, Landlord or its agents may, without services of notice or resort to legal process, forcibly enter the Premises without rendering Landlord or such agents liable therefor, and without in any manner affecting the obligations and covenants of this Lease.
- (d) Nothing in this Lease shall be deemed to construed to impose on Landlord any obligation, responsibility or liability whatsoever for the care, maintenance or repair of the Premises or any part thereof, except as otherwise herein specifically provided.
- (e) Tenant agrees that any entry into the Premises or anything done in, to or for the Premises by or on behalf of Landlord pursuant to any right or remedy granted by this Lease or at law shall not constitute a breach of any covenant for quiet enjoyment, or (except where expressed by Landlord in writing) a reentry into the Premises, or a forfeiture, surrender or termination of this Lease, or an actual or constructive eviction, or a derogation from Landlord's grant, and Landlord shall not be liable or responsible in any way to Tenant or any other Person for any act, fault, default, negligence, breach or omission of Landlord or its agents, servants, employees or any other persons for whom Landlord is at law responsible or for any occurrence, or for any cause whatsoever, as a result of such entry or the doing of any such thing, including without limitation, (i) any Injury to Tenant or any other Person or for any loss or damage to any property of Tenant or any other Person, and (ii) any claim for damages, whether direct, indirect or consequential, nor shall Landlord be subject to any legal proceeding as a result thereof; and Tenant shall promptly indemnify and hold harmless Landlord from and against any and all claims as a result of such entry or the doing of any such thing.

ARTICLE 14 STATUS STATEMENT, ATTORNMENT AND SUBORDINATION

Section 14.1 Status Statement

Within five (5) days after any request therefor by Landlord, or upon any sale, assignment, lease or mortgage of the Premises or the Land thereunder or the Retail Space or any part thereof by Landlord, Tenant shall in each instance execute, acknowledge and deliver, in a form supplied by Landlord, a status statement of Landlord or to any assignee, Mortgagee, purchaser or any other Person designated by Landlord (collectively "designatees") stating (if such is the case):

- (a) that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified and identifying the modification agreements) or, if this Lease is not in full force and effect, the statement shall so state;
- (b) the Commencement Date and expiry date of this Lease;

- (c) the amount of Rent being paid and the last date to which Rent has been paid under this Lease, and the amount of any Advance Rent or any Security Deposit or any other deposit or Letter of Credit held by Landlord;
- (d) whether or not there is any existing default by Tenant in the payment of any Rent or other sum or money under this Lease, and whether or not there is any other existing or alleged default by either party under this Lease with respect to which a notice of default has been served and, if there is any such default, specifying the nature and extent thereof in reasonable detail;
- (e) whether there are any setoffs, defences or counterclaims against enforcement of the obligations to be performed by Tenant under this Lease;
- (f) with reasonable particularity, details respecting Tenant's and any Indemnitor's financial standing and corporate organization;
- (g) that Landlord's Work, as set out in Schedule "C" or as set out in any other agreement between the parties hereto relating to the Premises, has been completed and that Tenant is in possession of the Premises; and
- (h) such other matters relating to this Lease as are designated by Landlord or any of its designates.

Section 14.2 Subordination and Attornment

- (a) This Lease and all the rights of Tenant hereunder are, and shall at all times be, subject and subordinate to any and all mortgages, trust deeds and the charge or lien resulting from, or any instrument of, any financing, refinancing or collateral financing and any renewals or extensions thereof from time to time in existence against the Retail Space or any part thereof. Upon request at any time and from time to time, Tenant shall subordinate this Lease and all its rights hereunder in such form as Landlord requires to any and all mortgages, trust deeds or the charge or lien resulting from, or any instrument of, any financing, refinancing or collateral financing and to all advances made or hereafter to be made on the security thereof (and shall, if applicable, postpone any short form of lease registered by Tenant pursuant to Section 18.13 hereof), and, if requested, Tenant shall attorn to the holder thereof and to the registered owners of the Retail Space or any part thereof.
- (b) Tenant shall, if possession is taken under, or any proceedings are brought for the foreclosure of, or in the event of the exercise of the power of sale under, any mortgage, charge, lease or sale and leaseback transaction, deed of trust, or the lien resulting from any other method of financing, refinancing or collateral financing made by Landlord or otherwise in existence against the Retail Space, or any part thereof, attorn to the mortgagee, chargee, lessee, trustee, other encumbrancer or the purchaser upon any such foreclosure or sale and recognize such mortgagee, chargee, lessee, trustee, other encumbrancer or the purchaser as Landlord under this Lease.

- (c) Landlord or the Mortgagee may, at its option, make this Lease and all Tenant's rights hereunder superior to any and all mortgages, trust deeds and the charge or lien resulting from, or any instrument of, any financing, refinancing or collateral financing and any renewals or extension thereof from time to time in existence against the Retail Space or any part thereof, by giving Tenant written notice thereof. If required by Landlord or the Mortgagee, Tenant shall, upon request at any time and from time to time, and without charge to Landlord, execute such documentation as Landlord or the Mortgagee requires to give effect to this provision.

Section 14.3 Execution of Documents

Tenant shall, upon request at any time and from time to time of Landlord or the Mortgagees or any other Person having an interest in the Retail Space of any part hereof, immediately execute and deliver without charge to Landlord such instruments, statements, acknowledgments or certificates (collectively "Instruments") to carry out the intent of Section 14.1, Section 14.2 or any other provision of this Lease. This Lease and any Rent hereunder may be assigned by Landlord to any Mortgagee as security. If any Mortgagee or any prospective Mortgagee requires modifications or changes in the terms and provision of this Lease (provided no such change shall vary the location, size or use of the Premises or the amount of Rent hereunder), Tenant, upon request of Landlord, shall immediately execute without charge to Landlord any Instruments incorporating such changes as may be requested. If seven (7) days after the date of a request by Landlord to execute any such Instruments Tenant has not executed and delivered them to Landlord or to whomsoever Landlord directs, Tenant hereby irrevocably appoints Landlord as Tenant's attorney with full power and authority to execute and deliver in the name of Tenant any such Instruments, and all costs and expenses incurred by Landlord in so doing (including professional and legal fees on a solicitor and his client basis) shall be paid by Tenant to Landlord as Additional Rent on demand, or Landlord may, at its option, upon notice to Tenant, terminate this Lease without incurring any liability on account thereof, and the Term hereby granted is expressly limited accordingly.

Section 14.4 Financial Information

Tenant shall, at any time and from time to time, upon request, provide Landlord, within seven (7) days of such request, with such information as to Tenant's or any Indemnitor's financial standing and corporate organization as Landlord or the Mortgagee requires. Failure of Tenant to comply with Landlord's request herein shall constitute a default under the terms of this Lease and Landlord shall be entitled to exercise all its rights and remedies provided for in this Lease.

ARTICLE 15 BANKRUPTCY

Section 15.1 Bankruptcy

If the term hereby granted or any of the goods or chattels of Tenant are at any time seized or taken in execution by any creditor of Tenant, or if Tenant makes a general assignment for the benefit of creditors, or if Tenant institutes proceedings to have Tenant adjudicated as bankrupt or insolvent, or if Tenant becomes the subject of bankruptcy or insolvency proceedings, or if a judgment, decree or order be entered by a court of competent jurisdiction adjudging Tenant bankrupt or insolvent, or if Tenant is unable to meet all debts as they fall due for a period of not less than three (3) months, or if Tenant or its directors shall pass any

resolution authorizing the dissolution or winding up of Tenant, or if a receiver, interim receiver, manager, receiver manager, trustee or liquidator of all or any part of Tenant's property shall be appointed or applied for by Tenant or by one or more of Tenant's creditors, then Landlord shall be so notified and the then current Rent plus an additional three (3) months Minimum Rent shall immediately become due and be paid and Landlord may immediately claim the same together with any arrears of Rent (including any amounts deemed to be Rent under this Lease) then unpaid and any other amounts owing to Landlord by Tenant under this Lease, owing and at the option of Landlord the term hereby granted is subject to termination forthwith. If Tenant becomes defunct or amalgamates with any other body without obtaining the prior written consent of Landlord or if a committee is appointed under the Patients Property Act, R.S.B.C. 1979, Chapter 313, as amended or substituted from time to time, to lawfully deal with Tenant's estate then at the option of Landlord the Term hereby granted shall forthwith terminate. If Tenant surrenders up its certificate of incorporation or otherwise ceases to exist the Term hereby granted terminates as of such surrender or dissolution. If Tenant is a natural person, at any time after Tenant's death Landlord may terminate the Term hereby granted upon sixty (60) days' notice to any executor or administrator of his estate.

ARTICLE 16 DEFAULT

Section 16.1 Breach of Covenants

If and whenever:

- (a) any Rent payment or any part thereof is not made on the day appointed for payment thereof; or
- (b) Tenant is in default in the payment of any money, other than Rent, required to be paid by Tenant under the terms of this Lease and such default continues for ten (10) days following any specific due date on which Tenant is to make such payment or, in the absence of such specific due date, for ten (10) days following notice requiring Tenant to pay the same; or
- (c) Tenant defaults in performing or observing any of the provisions of this Lease other than those requiring payment of money to Landlord and such default continues for a period of twenty (20) days after notice thereof to Tenant, except for a default which to be cured with all due diligence would require a longer period, then after such longer period, or if Tenant fails to proceed promptly and diligently and continuously after the service of such notice to cure same; or
- (d) the Premises are vacated or unoccupied for ten (10) or more consecutive days while the Premises are fit for use and occupation for the purpose set forth in section 8.1 herein without the consent of Landlord; or
- (e) the Premises are abandoned by Tenant; or
- (f) this Lease is terminated;

then and in every such case, it shall be lawful for Landlord at any time thereafter without notice or demand, with or without process of law and by forceable entry if necessary, to reenter into and upon the Premises, and to terminate this Lease by leaving upon the Premises notice in

writing of such termination. If Landlord terminates this Lease pursuant to this section, or otherwise as a result of default of Tenant, there shall immediately become due and owing to Landlord, and in addition to any other sums payable to Landlord hereunder, three (3) months Minimum Rent which Tenant agrees is a legitimate preestimation of the loss which would otherwise be incurred by Landlord above but for such additional three (3) months Minimum Rent. This provision for notice and termination shall not be construed so as to delay or supercede any specific remedy to which Landlord may have recourse in this Lease.

Section 16.2 Right to Relet

If Landlord becomes entitled to reenter the Premises Landlord shall have the right, if it thinks fit, to enter the Premises as the agent of Tenant either by force or otherwise without being liable for any prosecution therefore, and as agent of Tenant to relet the Premises or any part or parts thereof at the risk of Tenant and, as agent for Tenant, to receive the rent therefore and, as agent for Tenant, to take possession of any furniture, equipment and other property therein and sell the same at public or private sale without notice. Such rent and proceeds from the sale of the furniture, equipment and other properties shall be allocated first to Landlord's cost of so entering and reletting, then to interest on amounts due by Tenant to Landlord hereunder and unpaid, and then to the payment of such unpaid sums. The balance of such rent and proceeds, if any, may be applied by Landlord on account of the rent and other amounts due hereunder to Landlord.

Section 16.3 Expenses

If any legal proceeding is brought for recovery of possession of the Premises, for the recovery of Rent or any other amount due under this Lease, or because of the breach of any other terms, covenants or conditions herein contained on the part of Tenant to be kept or performed, Tenant shall pay to Landlord as Additional Rent, upon demand, all costs and expenses incurred therefor (including, without limitation, all professional and consultant fees, and all legal fees on a solicitor and his own client basis, disbursements, and all court costs and expenses of any legal proceeding; and the term "proceeding" shall include, without limitation, any arbitration, administrative, governmental, quasigovernmental or any other mediation proceeding). Tenant's obligations under this Section 16.3 shall survive the expiration or earlier termination of this Lease.

Section 16.4 Distress

Tenant waives and renounces the benefit of any present or future law taking away or limiting Landlord's rights against the property of Tenant and, notwithstanding any such law, Landlord may seize and sell all Tenant's goods and property, whether within the Premises or not, and apply the proceeds of such sale towards any arrears of rent (including amounts deemed to be rent under this Lease), and any other amount owing to Landlord by Tenant under this Lease and upon the costs of the seizure and sale. Tenant further agrees that if it abandons the Premises and any arrears of rent (including amounts deemed to be rent under this Lease), or other amounts provided to be paid by Tenant under this Lease remain unpaid, Landlord, in addition to any remedy otherwise provided by law, may seize and sell the goods and property of Tenant at any place to which Tenant or any other person may have removed them from the Premises, in the same manner if such goods and property had remained in, about or upon the Premises.

Section 16.5 Forfeiture

Tenant hereby expressly waives all rights of redemption and relief from forfeiture granted by or under any present or future laws in the event of Tenant being evicted or dispossessed from the Premises for any clause, or in the event of Landlord obtaining possession of the Premises or of Tenant's goods and chattels by reason of the default of Tenant or otherwise.

Section 16.6 Landlord May Cure Tenant's Default or Perform Tenant's Covenants

If Tenant fails to pay, when due, any Rent required to be paid pursuant to this Lease, Landlord, after giving two (2) days' notice in writing to Tenant, may, but shall not be obligated to, pay all or any part of it. If Tenant is in default in the performance of any of its covenants or obligations hereunder (other than the payment of Rent required to be paid by Tenant pursuant to this Lease), Landlord may from time to time, after giving such notice as it considers sufficient (or without notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be required, including, without limitation, entering upon the Premises and doing such things upon or in respect of the Premises or any part thereof as Landlord considers requisite or necessary. All expenses incurred and expenditures made pursuant to this Section 16.6 shall be paid by Tenant to Landlord as Additional Rent upon demand. Landlord shall have no liability to Tenant or any other Person for any Claims resulting from any such action, entry or performance of any work by Landlord upon the Premises.

Section 16.7 Security Agreement

- (a) Tenant hereby grants to Landlord a continuing security interest ("Security Interest") in all Tenant's present and future personal property of any kind including, without limiting the generality of the foregoing, all Goods, chattel paper, instruments, documents of title, supplies, securities, the business on the Premises, accounts receivable, book debts and intangibles (collectively "Collateral") which are or may be at any time hereafter on the Premises or elsewhere, and all proceeds therefrom, to secure the due and punctual payment of all Rent and the fulfilment of other obligations of Tenant under this Lease. Except for the Security Interest, Tenant agrees that all Collateral on the Premises shall be the unencumbered property of Tenant. Tenant agrees to enter into, on Landlord's request, a separate security agreement, mortgage or similar other charge or security instrument, in addition to this security agreement, or to document separately the Security Interest hereby granted, containing such terms as Landlord shall reasonably require, on all the Collateral at any time during the Term, including all after acquired items forming part of the Collateral, as security for the payment of Rent and performance by Tenant of all its other obligations pursuant to this Lease. Whether or not any additional or separate security agreement, mortgage, charge or other security instrument is requested by or given to Landlord as aforesaid, Tenant confirms and agrees that the Security Interest is complete and valid without the necessity of Tenant's giving any other or further documentation in respect thereof. Tenant agrees that the Security Interest shall attach to present Collateral immediately upon the execution of this Lease and, with respect to after acquired Collateral,

immediately upon Tenant's acquiring rights in such Collateral. This security agreement is separate from and shall survive the termination, expiration or disclaimer of this Lease, until all obligations of Tenant have been performed or satisfied.

- (b) On default by Tenant under this Lease, Landlord may itself, or by its agents or employees, or by a receiver or any replacement or any replacement thereof appointed in writing by Landlord, take possession of the Collateral, carry on the business on the Premises, in such manner as Landlord or such receiver determines, and realize upon the Collateral and enforce its rights under the Security Interest by any remedy or proceeding authorized or permitted hereby or at law including, without limitation, all rights and remedies available to a secured party under the P.P.S.A. and any other similar statutes; including in such rights of Landlord is the right to recover the reasonable expenses of retaking, holding, repairing, processing, preparing for disposition and disposing of the Collateral and all other reasonable expenses, including legal fees (on a solicitor and his own client basis), incurred by Landlord. Landlord may exercise any rights as provided by this Section 16.7 on the Premises and for such purpose may lock the Premises, change any locks on the Premises and by any means exclude Tenant from all or any parts of the Premises and Landlord shall not thereby be terminating this Lease in the absence of express written notice terminating this Lease.
- (c) This Security Interest shall not be deemed to have been satisfied, discharged or redeemed by reason of Tenant's not being indebted to Landlord at any time or from time to time and no payment shall reduce the amount secured by this Security Interest except to the extent expressly approved by Landlord in writing.
- (d) This Security Interest is given in addition, and not as an alternative, and may be exercised by Landlord without prejudice, to any other rights of Landlord under this Lease or at law including, without limitation, Landlord's right of distress.

Section 16.8 Charges Collectible as Rent

If Tenant is in default in the payment of any amounts, moneys or charges required to be paid by Tenant pursuant to this Lease, they shall, if not paid when due, be collectible by Landlord as Rent in arrears, but nothing herein contained shall be deemed to suspend or delay the payment by Tenant of any amounts, moneys or charges at the time they become due and payable hereunder, or limit any other right or remedy of Landlord. Tenant agrees that Landlord may, at its option, apply or allocate any sums received from or due to Tenant against any amounts, moneys or charges due and payable hereunder in such manner as Landlord sees fit. If Landlord, at any time before, during or after the Term of this Lease, determines that Tenant has not paid any Rent that Tenant should have paid under this Lease, Tenant shall pay such Rent to Landlord on demand, and this obligation shall survive the expiration or earlier termination of this Lease, as the case may be. If the postal service is interrupted or is substantially delayed, all Rent payable by Tenant under this Lease during such period of interruption or delay shall be delivered in person by Tenant to Landlord or to whomsoever such Rent is payable under this Lease, when due, except to the extent of any Rent which is automatically credited to Landlord's account pursuant to Section 4.2(b) hereof.

Section 16.9 Failure of Tenant to Carry on Business

- (a) Tenant shall take possession of the Premises upon notification by Landlord that the Premises are ready for occupancy and shall open the whole of the Premises for business, fully fixtured, stocked and staffed upon the Commencement Date (but in no event prior to the Opening Date), and thereafter throughout the Term Tenant shall conduct continuously, diligently and actively, on the whole of the Premises at all times, its business operations duly and strictly in accordance with the terms, covenants and conditions of this Lease.
- (b) If Tenant fails to take possession of, or open, or reopen, as the case may be, the Premises for business, fully fixtured, stock and staffed within the times provided, or to carry on business at all times during the Term duly and strictly in accordance with the terms, covenants and conditions contained in this Lease, Tenant (acknowledging the fact that this would have a negative impact on other tenants in the Retail Space) agrees that Landlord shall, in addition to any other rights or remedies Landlord has pursuant to this Lease or by law, be entitled (i) to collect from Tenant (in addition to the Rent) an additional charge which shall be paid by Tenant to Landlord as Additional Rent on demand, at double the daily Minimum Rent and Additional Rent (adjusted upward in the same proportion as the increase, if any, in the C.P.I. from the first full calendar month of the Term to each such month in which such failure occurs) for each and every day that Tenant fails to commence to do or to carry on business as herein provided; such additional charge is a liquidated sum (and not a penalty) representing the minimum damages which Landlord shall be deemed to have suffered, including, without limitation, damages as a result of Landlord's failure to receive Percentage Rent under this Lease and is without prejudice to Landlord's right to claim and prove a greater sum of damages, and (ii) to avail itself of any other remedies for Tenant's breach thereunder, including, without limitation, obtaining an injunction or an order for specific performance in a court of competent jurisdiction to restrain Tenant from breaching any of the provisions of this Section 16.9 or to compel Tenant to comply with its obligations under this Section 16.9, as the case may be, including a mandatory order to compel Tenant to open or reopen the whole of the Premises for business to the public, fully fixtured, stocked and staffed, and Tenant hereby consents to Landlord's obtaining such injunction, order or mandatory order establishing by affidavit or other evidence that Tenant has breached or Landlord has reasonable cause to believe that Tenant is about to breach any of the provisions of this Article 16.9 (and Tenant agrees that Landlord will suffer irreparable harm if such injunction, order or mandatory order is not granted and that damages are not a sufficient or adequate remedy); and (iii) if Tenant fails to open the Premises for business within fifteen (15) days after the Commencement Date, to terminate this Lease without the necessity for any legal proceeding and without prejudice to any other rights or remedies and to recover from Tenant, as Additional Rent, on demand, the cost of all work incurred by Landlord (A) pursuant to Schedule "C" hereof and (B) on Tenant's behalf.

Section 16.10 Remedies Generally

Mention in this Lease of any particular right or remedy of Landlord in respect of any default by Tenant shall not preclude Landlord from any other right or remedy in respect thereof, whether available at law or in equity or by statute or expressly provided for in this Lease. No right or remedy shall be exclusive or dependent upon any other right or remedy, but Landlord may from time to time exercise any one or more of such rights or remedies independently or in combination, such rights or remedies being cumulative and not alternative. If at any time Tenant is in default under this Lease, Landlord shall thereupon have the right ("Such Right"), in addition to any other right or remedy Landlord may have under this Lease, and notwithstanding any other provision of this Lease to the contrary, immediately to terminate the supply to the Premises of any benefit or service (including, without limitation, elevator service or any other means of ingress to or egress from the Premises) or any of the Utilities then being supplied by Landlord to the Premises. The exercise by Landlord of Such Right shall not constitute, and shall be deemed not to constitute, a termination by Landlord of this Lease or a breach of any covenant by Landlord under this Lease, and Landlord shall not be liable to Tenant for any Claims or Injury resulting from the exercise by Landlord of Such Right. Whenever Tenant seeks a remedy in order to enforce the observance or performance of any of the terms, covenants and conditions contained in this Lease on the part of Landlord to be observed or performed, Tenant's only remedy (except where another remedy is expressly provided herein, in which event, Tenant shall be restricted to that remedy) shall be for such damages as Tenant shall be able to prove in a court of competent jurisdiction that Tenant has suffered as a result of a breach (if established) by Landlord in the observance and performance of any of the terms, covenants and conditions contained in this Lease on the part of Landlord to be observed or performed. Tenant hereby waives trial by jury in any action, proceeding or claim or counterclaim brought by Landlord against Tenant on any matter whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant created hereby, Tenant's use or occupancy of the Premises, any claim for any Injury, or the enforcement of any remedy under any Laws, emergency or otherwise, now or hereafter in affect. Any claim, demand, right or defence of any kind by Tenant which is based on or arises in any connection with this Lease or the negotiations prior to its execution shall be barred unless Tenant commences an action thereon, or interposes in a legal proceeding a defence by reason thereof, within six (6) months after the date of the inaction or omission or the date of the occurrence of the vent or of the action to which the claim, demand, right or defence relates, whichever applies. In the event Landlord commences any action or proceeding for nonpayment of Rent, Tenant agrees not to interpose any counterclaim of any nature or description in any such action or proceeding. Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future Laws in the event Tenant shall be evicted or dispossessed from the Premises for any cause, statutory or otherwise, or if Landlord reenters the Premises following the occurrence of any default by Tenant hereunder, or if this Lease is terminated before the expiration date thereof originally fixed herein. In the event of any breach or threatened breach by Tenant of any of the terms and provisions of this Lease, Landlord shall have the right to injunctive relief as if no other remedies were provided herein for such breach. Tenant hereby expressly waives any right to assert a defence based on merger and agrees that neither the commencement of any action or proceeding, nor the settlement thereof, nor the entry of judgment therein shall bar Landlord from bringing any subsequent action or proceeding from time to time. Tenant hereby expressly waives and renounces any rights which it may now or at any time or from time to time hereafter have, under section 65.2 of the Bankruptcy and Insolvency Act (Canada) or under any other legislation, federal, provincial, municipal or otherwise, now or then in force, to repudiate this Lease. It shall not be unreasonable for Landlord to withhold its consent at any time when Tenant is in default of any of Tenant's obligations under this Lease. If Tenant shall default hereunder prior to the date fixed as the

commencement of any renewal or extension of this Lease, whether by a renewal or extension option herein contained or by separate agreement, Landlord may cancel such option or agreement for renewal or extension of this Lease, upon written notice to Tenant. Tenant agrees that it has no direct or indirect privity of contract or community of interest with any other tenant in the Retail Space, and that it will not directly or indirectly take any legal proceeding against any other tenant in the Retail Space to enforce any covenant between Landlord and any other tenant in the Retail Space, or for damages, or any other relief, as a result of any breach or threatened breach of any such covenant. Nothing in this Lease shall prohibit or limit or be deemed to prohibit or limit the conduct by Landlord or any Person other than Tenant of any business in the Retail Space, whether or not in competition with the business of Tenant. Any obligation of Tenant which is unfulfilled on the expiration or earlier termination of this Lease shall survive until fulfilled.

ARTICLE 17 MISCELLANEOUS

Section 17.1 Rules and Regulations

The Rules and Regulations adopted and promulgated by Landlord from time to time are hereby made a part of this Lease as if they were embodied herein, and Tenant shall comply with and observe them. The Rules and Regulations existing as at the Commencement Date are those set out in Schedule "D" attached hereto. Landlord reserves the right from time to time to amend, supplement, suspend or cancel any or all of the Rules and Regulations applicable to the Premises or the Retail Space. The Rules and Regulations may differentiate between types of businesses. Tenant's failure to keep and observe the Rules and Regulations constitutes a default under this Lease in such manner as if the same were contained herein as covenants. Notice of the Rules and Regulations and amendments and supplements, if any, shall be given to Tenant and Tenant shall thereupon comply with and observe all such Rules and Regulations, provided that no Rules and Regulations shall contradict any terms, covenants and conditions of this Lease. Landlord shall not be liable or responsible to Tenant for the nonobservance or violation of any of such Rules and Regulations or of any of the terms, covenants or conditions of any other lease of premises in the Retail Space and shall be under no obligation to enforce any such Rules and Regulations or terms, covenants or conditions.

Section 17.2 Overholding

If Tenant shall hold over after the expiration of the Term hereby granted, and Landlord shall accept rent, the new tenancy thereby created shall be a tenancy from month to month and not from year to year, at a monthly Rent equal to 150% of the Rent payable by the Tenant in the last month of the Term and shall be subject to the covenants and conditions herein contained so far as may be applicable to a tenancy from month to month, and shall be determined by one month notice in writing.

Section 17.3 Successors

All rights and liabilities herein granted to or imposed on the respective parties hereto extend to and bind the successors and assigns of Landlord and the heirs, executors, administrators and permitted successors and assigns of Tenant, as the case may be. No rights, however, shall enure to the benefit of any Transferee of Tenant unless the Transfer to such Transferee is permitted under the terms of this Lease.

Section 17.4 Constitution of Tenant

If at any time during the Term (a) there is more than one tenant or more than one Person constituting Tenant hereunder, then they shall each be liable jointly and severally for all Tenant's obligation hereunder and a default by one shall be deemed a default by all, or (b) Tenant is a partnership, joint venture or cotenancy (the "Tenant Partnership"), each Person who is presently a member of the Tenant Partnership hereafter, shall be and continue to be liable jointly and severally for the full and complete performance of, and shall be and continue to be subject to, the terms, covenants and conditions of this Lease, whether or not such Person ceases to be a member of such Tenant Partnership or successor Tenant Partnership.

Section 17.5 Waiver

The failure of Landlord to insist on the strict performance of any provisions of this Lease, or to exercise any right, option or remedy, shall not be construed as a waiver for the future of any such provision, right, option or remedy or as a waiver of a subsequent breach thereof. The waiver by Landlord of any breach of any term, covenant or condition herein contained is not deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained. The consent or approval by Landlord of any act by Tenant requiring Landlord's consent or approval shall not be construed to waive or render unnecessary the requirement for Landlord's consent or approval any subsequent similar act by Tenant. The subsequent acceptance of Rent hereunder by Landlord is not deemed to be a waiver of any preceding breach by Tenant of any term, covenant or condition of this Lease, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such Rent. No term, covenant or condition of this Lease is deemed to have been waived by Landlord unless such waiver is in writing by Landlord. No act or thing done by Landlord, its agents or employees during the Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept a surrender of the Premises shall be valid, unless in writing signed by Landlord. The delivery of keys to Landlord or to any of Landlord's agents or employees shall not operate as a termination of this Lease or a surrender of the Premises. All Rent to be paid by Tenant to Landlord hereunder shall be paid in Canadian funds, at par, when due, without any setoff whatsoever (except for Minimum Rent to the extent it may be abated pursuant to Section 11.1), and Tenant hereby waives the benefit of any statutory or other rights in respect of any setoff in its favour at the time hereof or at any future time.

Section 17.6 Accord and Satisfaction

No payment by Tenant or receipt by Landlord of a lesser amount than any instalment or payment of Rent due under this Lease shall be deemed to be other than on account of the amount due, and no endorsement or statement on any cheque or any letter accompanying any cheque or payment of Rent shall be deemed an acknowledgment of full payment or an accord and satisfaction, and Landlord may accept and cash such cheque or payment without prejudice to Landlord's right to recover the balance of such instalment or payment of Rent or pursue any other rights or remedies provided in this Lease or at law. No receipt of moneys by Landlord from Tenant after the termination of this Lease in any lawful manner shall reinstate, continue or extend the Term, or affect any notice previously given to Tenant, or operate as a waiver of the right of Landlord to enforce the payment of Rent then due or thereafter falling due, or operate as a waiver of the right of Landlord to recover possession of the Premises by proper

suit, action, proceeding or other remedy, it being agreed that, after the service of notice to terminate this Lease and the expiration of the time therein specified, and after the commencement of any suit, action, proceeding or other remedy, or after a final order or judgment for possession of the Premises, Landlord may demand, receive and collect any moneys due or thereafter falling due without in any manner affecting such notice, suit, action, proceeding, order or judgment, and any and all such moneys so collected shall be deemed payments on account of the use and occupation of the Premises or at the election of Landlord on account of Tenant's liability hereunder.

Section 17.7 Brokerage Commission

Any brokerage commission or finder's fee with respect to this Lease transaction shall be borne exclusively by Tenant and Tenant shall promptly indemnify and hold harmless Landlord from and against any and all Claims with respect thereto, which shall be paid by Tenant to Landlord as Additional Rent on demand.

Section 17.8 No Partnership or Agency

Nothing contained in this Lease shall create any relationship between the parties to this Lease other than that of Landlord and Tenant and it is acknowledged and agreed that Landlord shall not in any way or for any purpose become a partner of Tenant in the conduct of its business, or otherwise, or a joint venturer or member of a joint enterprise with Tenant, nor shall the relationship of principal and agent be created. The provisions of this Lease relating to Percentage Rent are included solely for the purpose of providing a method whereby the Rent is to be determined.

Section 17.9 Force Majeure

Notwithstanding anything to the contrary contained in this Lease, if either part hereto is bona fide delayed or hindered in or prevented from the performance of any term, covenant or act required hereunder by reason of: strikes; labour troubles, inability to procure materials or services; power failure, governmental laws, regulations or controls; riots, civil commotion, insurrection; sabotage, terrorism; invasion; rebellion; military or usurped power; war or warlike operations; blockades; epidemics; washouts; nuclear and radiation activity or fallout; explosions; act of God; or other reason whether of a like nature or not which is not the fault of the party delayed in performing work or doing acts required under the terms of this Lease (collectively "Force Majeure"), then performance of such term, covenant or act shall be excused for the period of the delay and the party so delayed shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay. The provisions of this Section 18.9 shall not operate to excuse Tenant from the payment of Rent in the amounts and at the times specified in this Lease nor shall they apply so as to extend the period of time for Tenant to complete Tenant's Work or to extend the Fixturing Period, if any, nor shall they entitle Tenant to compensation for any inconvenience, nuisance or discomfort thereby occasioned.

Section 17.10 Notices

Any notice required to be given hereunder may be delivered or mailed or electronic mail and shall be deemed to be well and sufficiently given if mailed at any Government Post Office in British Columbia, by prepaid registered or certified mail addressed as follows:

to Landlord:

City of Vancouver
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

Attention: Director of Real Estate Services

and

to the Tenant:

Easy Grab Easy Go Hamilton Food Ltd.
Young Hyun Cho
2907-1009 Expo Blvd.
Vancouver BC. CANADA
V6Z 2V9

or to such other addresses as the parties may from time to time advise the other in writing, and any such notice shall be deemed to have been received fortyeight (48) hours after the mailing thereof, or if delivered, when delivered, provided that if mailed should there be between the time of mailing and the actual receipt of the notice a mail strike, slowdown or other labour dispute which might affect delivery of such notice then such notice shall only be effective if actually delivered.

Section 17.11 Registration

Neither Tenant nor anyone on Tenant's behalf or claiming under Tenant shall register this Lease or any assignment or sublease of this Lease or any document evidencing any interest of Tenant in this Lease or the Premises against the Lands or any part thereof comprising the Retail Space or the Premises.

Section 17.12 Metric Conversion

If measurements are expressed in metric measure in this Lease, the following conversion factors shall apply: 1 metre = 3.2808 feet; 1 square metre = 10.7639 square feet; 1 foot = .3048 metres; and 1 square foot = .0929 square metres.

Section 17.13 Corporate Tenancy

If Tenant is a corporation, the undersigned officers of Tenant hereby warrant and certify to Landlord (a) that Tenant is a corporation in good standing and duly incorporated and organized under the laws of the Jurisdiction or, if incorporated in a jurisdiction other than the Jurisdiction, is a corporation in good standing and duly incorporated and organized under the laws of that jurisdiction and is authorized to do business in the Jurisdiction, and (b) that they, as such officers, are authorized and empowered to bind the corporation to the terms of this Lease by their signatures thereto.

Section 17.14 Confidentiality

Tenant (a) shall itself, and (b) shall use its best efforts to ensure that those for whom Tenant is in law responsible and its professional advisors, keep confidential the provisions of this Lease.

Section 17.15 Quiet Enjoyment

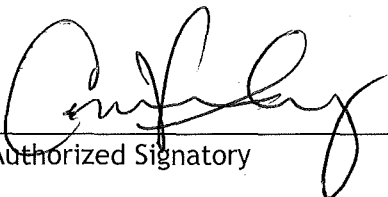
If Tenant pays the Rent and other sums herein provided when due, and punctually observes and performs all the terms, covenants and conditions on Tenant's part to be observed and performed hereunder, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term hereby demised without hindrance or interruption by Landlord or any other Person lawfully claiming by, through or under Landlord, subject, nevertheless, to the terms, covenants and conditions of this Lease, and to any mortgages, ground or underlying leases, agreements and encumbrances to which this Lease is or may be subordinated.

Section 17.16 No Parking

Landlord shall not provide parking. Tenant must make its own arrangements for parking.


IN WITNESS WHEREOF, Landlord and Tenant have signed this Lease as of the date first above written.

CITY OF VANCOUVER


Authorized Signatory

CARVAN SUNG
Real Estate Services

Easy Grab Easy Go Hamilton Food Ltd.


Authorized Signatory

SCHEDULE "A"

LEGAL DESCRIPTION OF THE RETAIL SPACE

Tenant: Easy Grab Easy Go Hamilton Food Ltd.

Store Address.: 883 Hamilton Street, Vancouver, BC

a portion of Lot 22, Block 66, District Lot 541, Plan VAP210

PID: 015-458-857 & 015-458-873

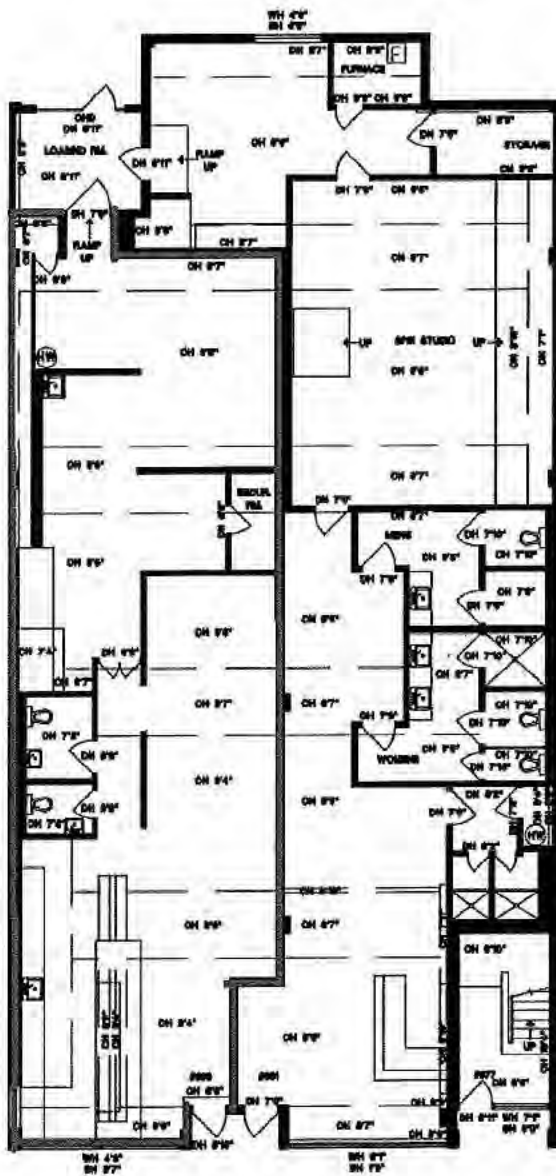
SCHEDULE "B"

FLOOR PLAN OF THE PREMISES

TENANT: EASY GRAB EASY GO HAMILTON FOOD LTD

STORE ADDRESS: 883 HAMILTON STREET, VANCOUVER, BC

BEING RETAIL SPACE
APPROXIMATELY 2,200 SQUARE FEET
AND OUTLINED IN BOLD ON THE SKETCHES ATTACHED HERETO.



EXISTING PROPERTY AT:

877-881-883 HAMILTON ST.,
VANCOUVER, B.C.



SCHEDULE "C"

CONSTRUCTION OF THE PREMISES

Landlord's Work and Tenant's Work

RETAIL AND RESTAURANT/CAFÉ SPACE

ARTICLE I - TENANT'S ACKNOWLEDGEMENT

1.1 OUTLINE DRAWINGS BY LANDLORD

Attached hereto as Appendix "A" and forming part of this Schedule "C" are the Schematic Drawings numbered A-0 to A-16, inclusive (the "Schematic Drawings"). After unconditional acceptance of the Offer to Lease, Landlord shall provide to Tenant "Outline Structural, Mechanical, Electrical and Architectural Drawings" for the Premises (the "Outline Drawings"). Tenant shall confirm all dimensions, equipment, services and locations by field inspection.

1.2 TIMELY PERFORMANCE

The time periods set out in this Schedule for completing Tenant's obligations represent maximum allowable time periods. Tenant shall proceed expeditiously and complete Tenant's obligations as much in advance of the maximum allowable time periods as possible.

1.3 ACCESS

At all times, including during the Fixturing Period described in Section 3.2 of this Schedule "C":

- (a) Landlord or public utility companies, subject to Landlord's approval, shall have the right to install utility lines, roof drainage and other pipes, conduits, wires or duct work where necessary throughout the ceiling space, column space or other parts of the Premises and to maintain them, and Tenant shall provide Landlord or such public utility companies with free and uninterrupted access for such purpose; and
- (b) Landlord shall be entitled to continue with its construction activities in the Premises and in the Retail Space.

1.4 ARCHITECT'S OPINION

The written opinion of Landlord's Architect shall be final and binding on both Landlord and Tenant respecting all matters of dispute regarding Landlord's Work and Tenant's Work, including the state of completion and whether or not work is completed in a good and workmanlike manner and in accordance with this Schedule.

1.5 LANDLORD'S ADDITIONAL REMEDIES

- (a) Failure by Tenant to pay any amounts due under this Schedule in the manner required, or any other default under this Schedule, entitles Landlord, without prejudice to Landlord's other rights and remedies, including the right to claim additional damages, to terminate this Lease and to retain any Security Deposit or other moneys paid by Tenant and to retain for its own use, without payment, any Tenant's Work which has been commenced or completed within or in connection with the Premises.
- (b) If Tenant default under this Schedule "C", Landlord, in addition to its other remedies, may (but shall not be obligated to) cure the default and Tenant shall pay to Landlord all charges and costs incurred by Landlord as Additional Rent on demand.

1.6 RELEASE AND INDEMNITY

Tenant releases Landlord, its servants, agents, employees, and those for whom Landlord is in responsible, from all Claims arising from any Injury or loss or damage which Tenant or its property may suffer in or about the Premises or the Retail Space and Tenant shall promptly indemnify Landlord from all Claims arising from or related to Tenant's construction, use or occupation of the Premises, or Tenant's use or occupation of the Retail Space.

ARTICLE II

2.1 TENANT'S PLANS

Within thirty-five (35) days after the date Tenant executes the Offer to Lease, Tenant shall submit to Landlord complete plans, drawings, specifications and other information for Tenant's finishing of the Premises ("Tenant's Plans"). Tenant's drawings must be in tracing or Sepia form to facilitate reproduction by Landlord and be (minimum) 1/4"=1'0" scale.

The Tenant's Plans, sealed by consultants licensed to practice in B. C., shall provide for the following as a minimum requirement:

- (a) layout plan;
- (b) millwork details;
- (c) reflected ceiling plan;
- (d) mechanical and electrical requirements including total loads;
- (e) ductwork and diffuser layout for HVAC, complete with heat loss and heat gain calculations;
- (f) location of room thermostats;
- (g) sprinkler head layout from base building ("Base Building") outlet tee;
- (h) emergency exits and signs;

- (i) interior finishing schedules;
- (j) any other special facilities or installations in respect of the Tenant's Work or which affect Landlord's facilities;
- (k) a dimensioned location plan of all openings, required for Tenant's equipment and services;
- (l) exterior signage.

All required Tenant's Plans shall be submitted by Tenant for review by Landlord in writing, including a letter from Landlord's Fire Protection/Safety Base Building consultant, certifying that Tenant's fit -up design conforms with the Base Building design with respect to fire protection/safety. No Tenant's Work may proceed prior to Landlord's written response to Tenant's Plans, which response shall not be unreasonably withheld nor unduly delayed. Landlord shall notify Tenant either of Landlord's approval thereof or of all the specific changes reasonably required by Landlord; Tenant shall then prepare and submit to Landlord, within seven days next following, complete Tenant's Plans so amended.

ARTICLE III - CONSTRUCTION BY TENANT

3.1 COMMENCEMENT OF TENANTS WORK

When Tenant has received (a) the notification referred to below in Section 3.2, and (b) notification from Landlord that Tenant has satisfied Landlord's requirements in accordance with Section 6.1 below, Tenant shall proceed immediately to complete Tenants' Work.

3.2 FIXTURING PERIOD

The Fixturing Period is the period starting on the date when Landlord notifies Tenant that Landlord has approved Tenant's Plans, and (ii) the Premises are, in the opinion of the Architect, or Landlord's designated representative, available for commencement of Tenant's Work; and ending 30 days thereafter.

ARTICLE IV - LANDLORD'S WORK

4.1 Landlord shall not be required to provide any materials or to do any work to or concerning the Premises.

ARTICLE V - THE TENANT'S WORK

5.1 Tenant shall provide and carry out, at its expense, all equipment and work required to be provided or performed in order to render the Premises complete and suitable to open for business ("Tenant's Work")

ARTICLE VI - LANDLORD'S REQUIREMENTS FOR TENANT'S WORK

6.1 REQUIREMENTS PRIOR TO COMMENCEMENT OF TENANT'S WORK

security forces and insurance contracted by Landlord in excess of that required to be contracted by Tenant.

During the Fixturing Period, Tenant shall be subject to all the other terms and conditions of this Lease in so far as they are applicable, including, without limitation, the provisions relating to liens, insurance, the liability of Tenant for its acts and omissions and the acts or omissions of its servants, employees, agents, contractors, subcontractors, invitees, concessionaires, licensees and all others over whom Tenant may reasonably be expected to exercise control and the indemnification of Landlord.

ARTICLE VIII - PAYMENT SCHEDULES

8.1 (a) Any equipment or work, other than that stipulated as Landlord's Work, which is supplied or performed by Landlord at the request of Tenant, or any excess or additional cost in Landlord's Work occasioned by Tenant's requirements or revisions to such requirements, shall be paid for by Tenant as Additional Rent as follows:

- (i) ~~§.17(1)~~ of the amount payable (as estimated by Landlord) shall be paid by Tenant to Landlord prior to the supply of the equipment or performance of the work; and
- (ii) the balance shall be paid by Tenant to Landlord within fifteen (15) days after the receipt of a request for it.

(b) The cost of the equipment or work shall include (in addition to direct labour, materials and applicable taxes) architectural and contractor's fees, any costs to Landlord which are attributable to changes requested by Tenant after approval of Tenant's Plans by Landlord and costs of temporary hoarding erected by Landlord.

SCHEDULE "D"

RULES AND REGULATIONS

STORE ADDRESS: 883 Hamilton Street, Vancouver, BC

Concerning the use and occupancy of the Premises and the Common Facilities, Tenant shall, at its expense:

- (a) keep the inside and outside of all glass in the doors and windows of the Premises clean;
- (b) keep all exterior storefront surfaces of the Premises clean;
- (c) replace promptly any cracked, damaged or broken glass of the Premises with glass of like kind and quality, but in any event shall use shatterproof glass in its storefront and a warning strip or appropriate decals approved by Landlord across such storefront ;
- (d) in a first-class manner, maintain the Premises and all fixtures, equipment, furnishings and improvements therein in a clean, safe, tidy, neat, attractive, orderly and sanitary condition, painted, decorated and otherwise presentable and of good appearance, and free of insects, rodents, vermin and other pests, and permit Landlord or its agents at all reasonable times to enter upon the Premises for the purpose of inspecting the state of the Premises;
- (e) provide regular janitorial services for the Premises;
- (f) keep any garbage, trash, debris, rubbish or refuse in rat proof containers (and, where perishable, in a refrigerated area) within the interior of the Premises until removed, such removal to be effected by Tenant on a regular basis as prescribed by Landlord ;
- (g) store soiled or dirty linen in approved fire-rated metal containers with self-closing fusible link covers;
- (h) keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the Premises;
- (i) provide security for the Premises;
- (j) provide Landlord with a key for the Premises and the code for any security device and the current names, addresses and telephone numbers of two (2) authorized employees of Tenant who may be contacted by Landlord in the event of an emergency relative to the Premises;
- (k) enter and cause its employees, servants, agents and contractors to enter the Premises when the Retail Space is closed to the public only by way of such entrances as Landlord may designate from time to time and subject to such

means as Landlord may require to control the presence of Persons within the Retail Space when so closed;

- (l) maintain a fresh and appropriate display in the front window(s) of the Premises at all times; and
- (m) if at any time, as a result of the business conducted, or any action taken by Tenant, in the Premises, the number of people seeking entry, or attracted to, or awaiting service at, the Premises is greater than the Premises can accommodate, with the result that those people who are not able to gain entry to or receive service at the Premises must wait in the entrances, lobbies, passages, elevators, escalators or other facilities in the Retail Space, Tenant shall make arrangements satisfactory to Landlord for controlling those people who are waiting to ensure that the entrances, lobbies, passages, elevators, escalators or other facilities of the Retail Space are not obstructed or misused by such people and that the inconvenience to others using the Retail Space and the other tenants in the Retail Space is minimized and of temporary duration only. Without in any way limiting the generality of the foregoing, if it is reasonably foreseeable that the business or action of Tenant will produce or be likely to produce conditions such as those described in the preceding sentence, Tenant shall discuss the matter and its proposed method of crowd control with Landlord beforehand to ensure that Landlord is agreeable to the proposed business or action which will produce such conditions and approves of the suggested method of crowd control. If Landlord is of the opinion that further or other steps must be taken to ensure proper crowd control, Tenant shall, at Tenant's expense, forthwith take such steps; if Landlord is of the opinion that it would not be possible to ensure effective crowd control in a satisfactory manner, Tenant shall forthwith either review its proposed business or action in a manner satisfactory to Landlord or abandon it.

Concerning the use and occupancy of the Premises and the Common Facilities, Tenant shall not:

- (i) place, display or maintain any merchandise, advertising materials or other articles in any vestibule or entry of the Premises, on the footwalks adjacent thereto or elsewhere on the exterior of the Premises or in or on the Common Facilities;
- (ii) permit undue accumulations of garbage, trash, debris, rubbish or refuse within or outside the Premises;
- (iii) throw, place or leave or permit its employees or agents delivering merchandise to the Premises to throw, place or leave any debris or refuse in or on the Common Facilities;
- (iv) permit objectionable odours to emanate or be dispelled from the Premises, and, upon direction of Landlord, Tenant shall forthwith, at Tenant's expense, remedy any situation resulting in a breach of this provision;

- (v) distribute handbills or other advertising matter to Persons in the Retail Space other than in the Premises or distribute handbills or other advertising matter to, in or upon any automobiles parked in the parking areas or in any other part of the Retail Space;
- (vi) permit the parking of delivery vehicles so as to interfere with the use of any driveway, walkway, loading bay or other area of the Retail Space;
- (vii) receive, ship, load or unload articles of any kind, including merchandise, supplies, materials, debris, garbage, trash, refuse and other chattels, except through service access facilities designated from time to time by Landlord;
- (viii) not use the plumbing facilities for any other purposes than that for which they are constructed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by Tenant;
- (ix) use any part of the Premises for living, lodging or sleeping or for any illegal purpose;
- (x) hang or suspend from any wall or ceiling or roof or any other part of the Retail Space any equipment, displays, fixtures or signs which are not authorized in advance in writing by Landlord ;
- (xi) mark, paint, drill into, cut, hang or string wires within, or in any way deface, any part of the Premises or the Retail Space, or drive nails, spikes, hooks, knobs or screws into any wall, ceiling, floor, wood, stone, masonry or metal work of the Premises or the Retail Space, without in each instance obtaining the prior written approval of Landlord;
- (xii) use or keep in the Premises or the Retail Space any gasoline, coal, oil, camphor, burning fluid or other illuminating or combustible materials;
- (xiii) carry on, or permit to be carried on, any activity in the Premises which would in Landlord's opinion or, in the opinion of any Authorities, constitute or create an environmental or pollution problem with respect to the Retail Space, or any part thereof, including, without limitation, the Premises;
- (xiv) permit any live animals to be kept on or within all or any part of the Premises;
- (xv) use or permit to be used all or any part of the Premises for any dangerous, noxious or offensive trade or business; or
- (xvi) bring in or take out, position, construct, install or move any safe or other heavy machinery or equipment or anything liable to injure or destroy any part of the Retail Space without first obtaining the written consent of Landlord. Landlord shall have the right to prescribe the weight permitted and the position thereof, and the use an design of planks, skids or platforms, to distribute weight. All damage done to the Retail Space by moving or using any heavy equipment or

other equipment or furniture shall be promptly repaired at the expense of Tenant. The moving of all heavy equipment or other equipment or furniture shall occur only by prior arrangement with Landlord. No Tenant shall employ anyone to do its moving in the Retail Space other than staff of the Retail Space, unless permission to employ anyone else is given by Landlord and the cost of such moving such be paid by Tenant. Safes and other heavy equipment and machinery will be moved through halls and corridors only upon steel-bearing plates. No freight or bulky matter or any description shall be received into the Retail Space or carried in any elevators except during hours approved by Landlord.

END OF DOCUMENT



GENERAL CERTIFICATE OF INSURANCE

Schedule B

Section 8 b) - City staff to select the required # of days Written Notice before sending the certificate out for completion
Section 2 through 8 - to be completed and executed by the Insurer or its Authorized Representative

1. THIS CERTIFICATE IS ISSUED TO: City of Vancouver, 453 W 12th Avenue, Vancouver, BC, V5Y 1V4
and certifies that the insurance policies as listed herein have been issued to the Named Insured(s) and are in full force and effect as of the effective date of the agreement described below.

2. NAMED INSURED: [must be the same name as the Permittee/Licensee or Party(ies) to Contract and is/are either an individual(s) or a legally incorporated company(ies)]

MAILING ADDRESS:

LOCATION ADDRESS:

DESCRIPTION OF OPERATION, CONTRACT, AGREEMENT, LEASE, PERMIT OR LICENSE:

3. PROPERTY INSURANCE naming the City of Vancouver as a Named Insured and/or Loss Payee with respect to its interests and shall contain a waiver clause in favour of the City of Vancouver.

(All Risks Coverage including Earthquake and Flood) INSURED VALUES: (Replacement Cost)
INSURER: Building and Tenants' Improvements: \$

TYPE OF COVERAGE: Contents and Equipment: \$

POLICY NUMBER: Deductible Per Loss: \$

POLICY PERIOD: From to

4. COMMERCIAL GENERAL LIABILITY INSURANCE (Occurrence Form)
Including the following extensions: LIMITS OF LIABILITY: (Bodily Injury and Property Damage Inclusive)

√ Personal Injury Per Occurrence: \$

√ Products and Completed Operations Aggregate: \$

√ Cross Liability or Severability of Interest All Risk Tenants' Legal Liability: \$

√ Employees as Additional Insureds Deductible Per Occurrence: \$

√ Blanket Contractual Liability

√ Non-Owned Auto Liability

INSURER: POLICY NUMBER:

POLICY PERIOD: From to

5. AUTOMOBILE LIABILITY INSURANCE for operation of owned and/or leased vehicles

INSURER: LIMITS OF LIABILITY:

POLICY NUMBER: Combined Single Limit: \$

POLICY PERIOD: From to If vehicles are insured by ICBC, complete and provide Form APV-47.

6. UMBRELLA OR EXCESS LIABILITY INSURANCE LIMITS OF LIABILITY: (Bodily Injury and Property Damage Inclusive)

INSURER: Per Occurrence: \$

POLICY NUMBER: Aggregate: \$

POLICY PERIOD: From to Self-insured Retention: \$

7. OTHER INSURANCE (e.g. Boiler & Machinery, Business Interruption, Crime, etc.) - Please specify Name of Insurer(s), Policy Number, Policy Period, and Limit

8. POLICY PROVISIONS:
Where required by the governing contract, agreement, lease, permit or license, it is understood and agreed that:

- a) The City of Vancouver, its officials, officers, employees, servants and agents have been added as Additional Insureds with respect to liability arising out of the operation of the Named Insured pursuant to the governing contract, agreement, lease, permit or license;
b) THIRTY (30) days written notice of cancellation or material change resulting in reduction of coverage with respect to any of the policies listed herein, either in part or in whole, will be given by the insurer(s) to the Holder of this Certificate; the exception is cancellation for non-payment of premiums in which case the applicable statutory conditions will apply;
c) The insurance policy (policies) listed herein shall be primary with respect to all claims arising out of the operation of the Named Insured. Any insurance or self-insurance maintained by the City of Vancouver shall be in excess of this insurance and shall not contribute to it.

SIGNED BY THE INSURER OR ITS AUTHORIZED REPRESENTATIVE

PRINT NAME OF INSURER OR ITS AUTHORIZED REPRESENTATIVE, ADDRESS AND PHONE NUMBER Dated:

THIS AGREEMENT is dated for reference the 28th day of January, 2014.

BETWEEN:

CITY OF VANCOUVER, a municipal corporation with offices at 453 West 12th Avenue, in the City of Vancouver, in the Province of British Columbia, V5Y 1V4

(the "Landlord")

AND:

COMMUNITY BUILDERS BENEVOLENCE GROUP (Society Registration No. S-0048321) with offices at 25 East Hastings Street, in the City of Vancouver, in the Province of British Columbia, V6A 1M9

(the "Tenant")

PREMISES:

Name of Facility: Yale Hotel

Civic Address: 1300 Granville Street, Vancouver, B.C.

Legal Description: Parcel Identifier: 029-210-666

Legal Description: Air Space Parcel 1 Block 113 District Lot 541 Group 1 New Westminster District Plan EPP32587

TERM: from February 1, 2014 to January 31, 2034

RENT: s.17(1) payable in advance, plus any applicable sales taxes

RENT REVIEW: None

EARLY TERMINATION: As described herein

TABLE OF CONTENTS

Page	Page
ARTICLE I.....1	Section 5.06 - Breach of Laws Relating to Hazardous Substances..... 13
Section 1.01 - Demise and Term.....1	Section 5.07 - Enquiries Pertaining to Hazardous Substances..... 14
Section 1.02 - Early Termination by Landlord ...1	Section 5.08 - Landlord's Inspection of Goods . 14
Section 1.03 - Early Termination by Tenant2	Section 5.09 - Ownership Remains with Tenant 14
Section 1.04 - Rent2	Section 5.10 - Environmental Covenants Survive Termination 14
Section 1.05 - Payments Generally.....2	ARTICLE VI 14
Section 1.06 - Utilities, Janitorial, Maintenance and Repairs.....2	Section 6.01 Landlord's Insurance 14
Section 1.07 - Common Area and Other Operating Costs.....3	Section 6.02 Tenant's Insurance..... 15
Section 1.08 - Use of Premises3	Section 6.03 - General Requirements of Insurance..... 16
Section 1.09 - Tenant Services.....4	Section 6.04 - Evidence of Insurance 16
Section 1.10 - Interest on Arrears.....4	ARTICLE VII 16
Section 1.11 - Property Taxes.....4	Section 7.01 - Termination on Damage or Destruction 16
Section 1.12 - Other Taxes.....5	Section 7.02 - Repair of Damage or Destruction 17
Section 1.13 - Rent Review5	Section 7.03 - Abatement of Rent 17
Section 1.14 - Amalgamation, Sponsorship, Naming, Renaming and Signage 5	ARTICLE VIII..... 17
Section 1.15 - Suitability of the Premises6	Section 8.01 - Assignment..... 17
Section 1.16 - Tenant's Inspection of the Premises 6	Section 8.02 - Subleasing..... 17
Section 1.17 - Excess Rent6	Section 8.03 - Assignment of Sublease Rent.... 18
ARTICLE II.....6	Section 8.04 - Mortgage of Lease 18
Section 2.01 - No Damage6	Section 8.05 Management Agreement 18
Section 2.02 - Snow off Sidewalks.....6	ARTICLE IX 18
Section 2.03 - Alterations7	Section 9.01 - Bankruptcy..... 18
Section 2.04 - Liens and Encumbrances.....7	ARTICLE X..... 19
ARTICLE III8	Section 10.01 - Statutes and By-laws 19
Section 3.01 - Delivery of Financial Statements to the Landlord by the Tenant8	Section 10.02 - WorkSafeBC Coverage..... 19
Section 3.02 - Delivery of Minutes of Tenant Board Meetings to Landlord.....8	Section 10.03 - Vancouver Charter..... 20
ARTICLE IV8	Section 10.04 - Performance of Obligations.... 20
Section 4.01 - Limitation of Liability.....8	Section 10.05 - No Registration of Lease..... 20
Section 4.02 - Exclusion of Liability.....9	ARTICLE XI 20
Section 4.03 - Indemnification9	Section 11.01 - Breach of Covenants 20
Section 4.04 - Notice of Liability Concerns..... 10	Section 11.02 - Distraint..... 21
ARTICLE V..... 10	Section 11.03 - Right to Re-let 22
Section 5.01 - Definitions 10	Section 11.04 - Forfeiture..... 22
Section 5.02 - Suitability of the Premises 11	Section 11.05 - Remedies Generally 22
Section 5.03 - Tenant's Inspection of the Premises 11	Section 11.06 - Expenses 23
Section 5.04 - Release and Indemnification 12	Section 11.07 - Landlord May Remedy Tenant's Default 24
Section 5.05 - Removal of Hazardous Substances..... 12	

	Page		Page
Section 11.08 - Security Agreement	24	ARTICLE XVI	27
ARTICLE XII	24	Section 16.01 - Delivery of Notices	27
Section 12.01 - Vacant Possession.....	24	Section 16.02 - Administration of Lease	28
Section 12.02 - Trade Fixtures.....	24	Section 16.03 - Covenants Survive	
Section 12.03 - Overholding	25	Termination	28
ARTICLE XIII RIGHT OF ENTRY	25	Section 16.04 - Time is of the Essence	28
Section 13.01 - Landlord's Access to Premises		Section 16.05 - Captions and Headings	28
For Showings/Inspection.....	25	Section 16.06 - Interpretation.....	29
Section 13.02 - Landlord's Access to Records..	26	Section 16.07 - Joint and Several	29
Section 13.03 - "For Lease/Sale" Signs	26	Section 16.08 - Waiver	29
Section 13.04 - Emergency Access	26	Section 16.09 - Entire Agreement	29
ARTICLE XIV	26	Section 16.10 - Governing Law.....	29
Section 14.01 - Option to Renew	26	Section 16.11 - Severability.....	29
ARTICLE XV	27	Section 16.12 - Relationship between	
Section 15.01 - Landlord Released	27	Landlord and Tenant	29
Section 15.02 - Tenant's Covenant	27	Section 16.13 - Force Majeure	30
Section 15.03 - Status Statement.....	27	SCHEDULE A - TITLE SEARCH.....	31
		SCHEDULE B - SERVICE LEVEL AGREEMENT.....	39

WITNESSES THAT WHEREAS:

- A. The Landlord is the owner of all and singular those lands and premises situate in the City of Vancouver, in the Province of British Columbia, having a civic address of 1300 Granville Street, Vancouver, and legally described as:

PID: 029-210-666

Air Space Parcel 1 Block 113 District Lot 541 Group 1 New Westminster District Plan EPP32587

which lands and premises are hereinafter called the "Building" or the "Premises";

- B. The Tenant has requested that the Landlord lease the Premises to the Tenant in order that the Tenant may provide affordable housing during the Term at welfare rates, and the Landlord wishes to have such services provided in the Premises;
- C. The Premises are subject to the following liens, charges and encumbrances registered at the Land Title Office as shown on the title search attached as Schedule A, all of which are collectively referred to as the "Prior Encumbrances";
- D. The Landlord's City Council, by resolution made at its meeting the 22nd day of January, 2014, resolved to lease the Premises to the Tenant upon the terms and conditions hereinafter set out.

NOW THEREFORE in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord by these presents does demise and lease the Premises unto the Tenant and the Tenant does hereby take and rent the Premises upon and subject to the conditions set out hereunder.

ARTICLE I

Section 1.01 - Demise and Term

Subject to the Prior Encumbrances and any early termination rights as provided in this Agreement and in consideration of the rents, covenants and conditions herein on the part of the Tenant to be performed and observed, the Landlord hereby leases the Premises to the Tenant to have and to hold the same for and during the initial term of twenty years commencing on the 1st day of February, 2014 (the "Commencement Date") and expiring at 11:59 p.m. on the 31st day of January, 2034 (the "Term").

Section 1.02 - Early Termination by Landlord

Not so as to limit the Landlord's rights as specified elsewhere in this Agreement, the Landlord may terminate this Agreement if any of the following events occurs:

- (a) a right of termination by the Landlord has arisen pursuant to the operating agreement in respect of the Premises entered into or to be entered into between

the Landlord and Tenant as such agreement is amended, supplemented or replaced from time to time (the "Operating Agreement"); or

- (b) with the Tenant's consent;

and the Landlord shall not pay to the Tenant any compensation due to such termination.

Section 1.03 - Early Termination by Tenant

The Tenant may terminate this Agreement if the Tenant intends to or has ceased to use the Premises for the Permitted Use (as defined below) upon giving the Landlord three (3) months prior written notice of such termination.

The Tenant shall not pay to the Landlord any compensation due to early termination as permitted under this Agreement.

Section 1.04 - Rent

Yielding and paying therefore in advance s.17(1) (the "Rent") payable on the first day of the Term. The Rent together with any additional rent payable by the Tenant is referred to as "rent" in this Agreement.

Section 1.05 - Payments Generally

All payments by the Tenant to the Landlord of whatsoever nature required or contemplated by this Agreement shall be:

- (a) paid to the Landlord by the Tenant in lawful currency of Canada;
- (b) made when due hereunder, without prior demand therefor and without any setoff, compensation or deduction whatsoever at the office of the Landlord's Director of Real Estate Services specified in Section 16.01 or such other place as the Landlord may designate from time to time in writing to the Tenant;
- (c) applied towards amounts then outstanding hereunder, in such manner as the Landlord may see fit; and
- (d) deemed to be rent, in partial consideration for which this Agreement has been entered into, and shall be payable and recoverable as rent, such that the Landlord shall have all rights and remedies against the Tenant for default in making any such payment which may not be expressly designated as rent as the Landlord has for default in payment of rent.

Section 1.06 - Utilities, Janitorial, Maintenance and Repairs

The arrangements concerning the utilities, janitorial, maintenance and repairs as of the date of this Agreement are contained in Schedule B attached hereto (the "Service Level Agreement"). The Service Level Agreement may be amended in writing from time to time by the Landlord and the Tenant by mutual agreement.

The Tenant shall pay all charges, rates and levies on account of utilities and other services provided to the Premises, including heat, electricity, gas, water, sewer, garbage and recycling

collection, telephone, cablevision, internet, all other costs related to security systems monitoring and servicing and all other expenses and outgoings relating to the Premises immediately when due and, upon request, provide the Landlord with receipts evidencing such payment, unless otherwise expressly indicated in the Service Level Agreement.

The Tenant shall keep and maintain the Premises good repair as would a reasonable and prudent owner of such premises, reasonable wear and tear and structural elements or defects excepted and in a sanitary, neat, tidy and safe condition and free from nuisance at all times.

The Landlord shall have access to the Premises in order to inspect them during normal business hours. The Landlord may provide the Tenant with written notice of any repairs which, in accordance with Schedule A, the Landlord requires the Tenant to make to the Premises. The Tenant shall make such repairs in accordance with such notice. If the Tenant fails to promptly commence repairs and diligently prosecute same to completion after receipt of notice from the Landlord requiring repairs, then the Landlord may carry out or cause to be carried out such repairs on the provision of reasonable notice to the Tenant in a manner so as to cause the least reasonably possible disruption to the Tenant, the costs of which shall be payable by the Tenant, and the Landlord and its employees, agents, contractors and subcontractors, shall not be liable to the Tenant for any inconvenience, annoyance, disruption, loss of income or liability suffered or incurred by the Tenant by reason of the Landlord effecting such repairs unless caused by the negligence of the Landlord or those for whom the Landlord is responsible in law.

Section 1.07 - Common Area and Other Operating Costs

The Tenant shall also pay when due such other common area and operating costs applicable to the Premises as are set forth in, and in accordance with, Schedule A.

Section 1.08 - Use of Premises

The Tenant shall not use or occupy, nor suffer or permit the use of the Premises or any part thereof for any purpose other than:

- (a) the provision of affordable housing in accordance with the terms and conditions of the Operating Agreement and for all purposes necessarily incidental to the provision of the same;
- (b) such other uses as may first be approved by the Landlord in writing; and
- (c) that permitted by the applicable zoning for the Premises,

(collectively the "Permitted Use").

Without limiting the generality of the foregoing, the Tenant shall not at anytime suffer, permit or allow any person to occupy the Premises for commercial purposes.

The Tenant shall not use, or suffer or permit the use of, any part of the Premises in such a manner as to cause, suffer or permit any annoying noises or offensive odours to emanate from any part of the Premises.

By agreeing to the Tenant using the Premises for the Permitted Use, the Landlord is agreeing as the owner of the Premises only and is not in any way (either in its capacity as landlord or

as a regulatory public body) stating, warranting or representing that the Permitted Use is a permitted use under the City of Vancouver Zoning and Development By-law No. 3575 and amendments thereto and other relevant by-laws. Nothing in this Section 1.08 affects the Tenant's obligations to comply at its sole expense with all such by-laws pursuant to Section 10.01 of this Agreement.

Section 1.09 - Tenant Services

[Intentionally Deleted]

Section 1.10 - Interest on Arrears

Whenever and so long as the Rent or any other amounts payable hereunder by the Tenant to the Landlord will be in arrears, such amounts will bear interest at the rate of ~~s.17(1)~~ ~~s.17(1)~~ per annum above the "prime rate" (hereinafter defined), calculated monthly and not in advance, from the date due until paid irrespective of whether or not the Landlord has demanded payment. In this agreement, "prime rate" means the floating annual percentage rate of interest established from time to time by the Bank of Montreal, 595 Burrard Street, Vancouver, British Columbia as the base rate that will be used to determine rates of interest charged by it for Canadian dollar loans to customers in Canada and designated by the Bank of Montreal as its prime rate; provided that if a court declares or holds the prime rate to be void or unenforceable for any reason including uncertainty, then the rate of interest payable on amounts in arrears hereunder will be ~~s.17(1)~~ per annum calculated monthly not in advance from the date due until paid. The Landlord will have all the remedies for the collection of such interest as in the case of rent in arrears, but this provision for interest will not prejudice or affect any other remedy of the City under this agreement. The Tenant will also pay the Landlord's standard charge levied on N.S.F. cheques.

Section 1.11 - Property Taxes

- (a) In this Agreement, the following words and expressions shall have the following meanings:
 - (i) "Property Taxes" means all assessments for taxes, rates, duties (including school taxes, local improvement rates and other charges levied pursuant to the *Hospital District Finance Act* (British Columbia), the *Municipal Finance Authority Act* (British Columbia) or otherwise, including by or for Translink, BC Assessment and Metro Vancouver) and all other charges for services used in or supplied to the Premises and the Building (including penalties and interest payable due to the Tenant's default) that now are or will or may be levied, rated, charged or assessed against the Premises charged by any municipal, parliamentary, legislative, regional, school or other authority during the Term;
- (b) The Tenant will, during the Term, no later than the day immediately preceding the date or dates on which the Property Taxes become due and payable, pay and discharge or cause to be paid and discharged the Property Taxes and, if requested by the Landlord, will deliver to the Landlord for inspection receipts for payments of the Property Taxes within 14 days of such payment. Not later than 30 days following receipt of any tax assessment or notice by the Landlord, the Landlord will deliver a copy of such assessment or notice to the Tenant, and in any event, will deliver any

tax assessment or notice no less than 30 days prior to the date such Property Taxes are due.

Section 1.12 - Other Taxes

The Tenant shall pay when due all goods and services taxes, value-added taxes, sales taxes and consumption based taxes, rates, levies and assessments which are from time to time payable by the Tenant or the Landlord as a result of or that would not be payable but for the rights and obligations contained in this Agreement, including but without derogating from the generality of the foregoing, such taxes, rates, levies and assessments payable as a result of any payment obligations herein of the Tenant to the Landlord. Any loss, costs, charges and expenses which relate to such taxes, rates, levies and assessments suffered by the Landlord may be collected by the Landlord as additional rent with all rights of distress and otherwise as reserved to the Landlord in respect of rent in arrears.

The Tenant covenants with the Landlord to pay or cause to be paid during the Term when due every tax and permit and license fee (including penalties and interest payable due to the Tenant's default) in respect of any and every business carried on, in or upon the Premises or in respect of the use or occupancy of the Premises by the Tenant (and any and every sublessee, permittee and licensee), other than such taxes as corporate income, profits or excess profit taxes assessed upon the income of the Landlord or which are taxes personal to the Landlord, whether such taxes or permit and license fees are charged by any municipal, parliamentary, legislative, regional or other authority.

Section 1.13 - Rent Review

[Intentionally Deleted]

Section 1.14 - Amalgamation, Sponsorship, Naming, Renaming and Signage

The Tenant shall, effective from the date hereof:

- (a) not amalgamate with any other body, without first receiving the Landlord's prior written approval, which approval may not be unreasonably withheld;
- (b) not sell, transfer, assign or otherwise permit the naming of the Premises or any portion thereof without the Landlord's prior written approval, which approval may be arbitrarily withheld;
- (c) in connection with the naming of all or any portion of the Premises, comply with any policy adopted by the Landlord's Council relating to the naming of and signage (including without limitation, flags and banners) regarding all or portions of lands and/or premises owned, leased or otherwise controlled by the Landlord in force at the time of the proposed naming; and
- (d) without limiting the generality of anything contained in this Section 1.14, the Tenant shall not disclose or promote its relationship with the Landlord in any verbal declarations, announcements, sales, marketing or other literature, letters, client lists, press releases, brochures or other written materials in a manner which could suggest or create an association, express or implied, between the Tenant and the Landlord without the express prior written consent of the Landlord, which may be arbitrarily withheld.

Section 1.15 - Suitability of the Premises

The Tenant acknowledges and agrees that the Landlord, either itself or through its officers, employees or agents, has not made and the Tenant has not relied upon any representations or warranties from the Landlord or its officers, employees or agents as to:

- (a) the state of repair of the Premises;
- (b) the suitability of the Premises for any business, activity or purpose whatever; or
- (c) the suitability of the Premises for use by the Tenant.

Section 1.16 - Tenant's Inspection of the Premises

The Tenant acknowledges and agrees that it has been afforded all reasonable opportunity to inspect the Premises and all relevant documentation in respect thereof and to carry out such audits, investigations, tests and surveys as it considers reasonably necessary to ascertain:

- (a) the state of repair of the Premises; and
- (b) the suitability of the Premises for use by the Tenant;
- (c) and the Tenant has independently made all such inspections, audits, investigations, tests and surveys as it regards as being necessary for the above purposes. It is understood and agreed that the Premises are being leased to the Tenant on an "as is" basis.

Section 1.17 - Excess Rent

Notwithstanding any other provision in this Agreement, and at the Landlord's option, if as a result of any assignment, sublease, setting over, or otherwise parting with possession of the Premises or letting any third party into possession of the Premise the Tenant directly or indirectly receives from the assignee, subtenant or occupant (collectively referred to herein as the "Transferee") any payment, fee or any other consideration, whether in the form of cash, negotiable instrument, goods, services or in any other form whatsoever (the "Consideration") which is in excess of the Rent or any other amount payable by the Tenant to the Landlord under this Agreement then such Consideration will be used by Tenant at the Premises, either to enhance services to residents or to perform work required to be performed by the Tenant pursuant to this Agreement.

ARTICLE II**Section 2.01 - No Damage**

The Tenant shall not suffer, cause nor permit any damage or injury to the Premises other than reasonable wear and tear.

Section 2.02- Snow off Sidewalks

The Tenant covenants that it will keep adjacent sidewalks clear of snow and ice to comply with the requirements of the Street and Traffic By-law of the City of Vancouver and that it will indemnify and save harmless the Landlord from all costs, loss, damages, compensation

and expenses suffered by the Landlord and sustained or caused by the Tenant's failure to remove snow and ice from the sidewalks, provided that if the Tenant does not remove snow and ice as required by the Street and Traffic By-law, the Landlord may clear the sidewalks and the cost of such removal shall be paid by the Tenant to the Landlord.

Section 2.03 - Alterations

The Tenant shall not carry out or cause to be carried out any additions, renovations or alterations to the Premises or redecoration of the Premises or erections on the Premises ("Alterations") without the Landlord's prior written consent and in the giving of such consent the Landlord may attach whatever conditions, directions, stipulations, prohibitions or deadlines as it deems appropriate and the same shall be conditions of this Agreement. All such works shall be wholly at the Tenant's expense but shall be the Landlord's absolute property except to the extent that the same may be reasonably categorized as trade fixtures.

The Tenant will obtain, at its sole expense, any and all permits, approvals and authorizations from any governmental authority, including the City of Vancouver, which may be required to undertake the Alterations. The Tenant shall be solely responsible for all claims and/or liabilities arising from or relating to any bodily injury or death, property damage or other loss or damage arising from the Alterations.

By consenting to any Alterations, the Landlord is not in any way (either in its capacity as landlord or as a regulatory public body) stating, warranting or representing that the Alterations are permitted under the City of Vancouver Zoning and Development By-law No. 3575 and amendments thereto, the City of Vancouver Building By-law No. 6134 and amendments thereto, and other relevant by-laws. No consent given by the Landlord (and no failure to enforce this section of this Agreement) will affect the Tenant's obligations to comply at its sole expense with all such by-laws pursuant to Section 9.01 of this Agreement.

Section 2.04 - Liens and Encumbrances

In connection with all labour performed in, or materials supplied for, the making, erection, installation or alteration of any work or installations made by or for the Tenant in the Premises, the Tenant will comply with all the provisions of the *Builders Lien Act*, SBC 1997, c.45, as amended or substituted from time to time (the "*Builders Lien Act*"), and other statutes from time to time applicable thereto, including any provision requiring or enabling the retention of any sum as a holdback.

The Tenant will not create any mortgage, security agreement or other encumbrance in respect of any of its leasehold improvements or trade fixtures or permit any such mortgage, security agreement or other encumbrance to attach to the Premises.

If and whenever any builders lien or other lien for work, labour, services or materials supplied to or for the Tenant or for the cost of which the Tenant may be in any way liable, or claims therefor arise or are filed or any such mortgage, security agreement or other encumbrance attaches to the title to the Premises, the Tenant will, within fifteen (15) days after receipt of notice thereof, procure the discharge thereof, including any certificate of pending litigation or other notation or charge registered in respect of any lien, by payment or giving security or in such other manner as may be required or permitted by law. Provided however, that in the event of a bona fide dispute by the Tenant of the validity or correctness of any claim for any such lien, the Tenant will not be bound by the foregoing, but will be entitled to defend

against the same in any proceedings brought in respect thereof after first paying into a court of competent jurisdiction the amount claimed or sufficient security therefor, and such costs as the court may direct. This section shall not prevent the Tenant mortgaging or encumbering its chattels, inventory, trade fixtures or equipment which are not fixtures.

Pursuant to Section 3(2) of the *Builders Lien Act*, the Landlord may file in the Land Title Office notice of its fee simple interest in the land or legal parcel on which the Premises are located, as is required by law to ensure that the Landlord's title does not become charged with liens related to this Agreement.

ARTICLE III

Section 3.01 - Delivery of Financial Statements to the Landlord by the Tenant

On or before commencement of the Term, the Tenant shall deliver to the Landlord's Managing Director of Social Development, in a form and content acceptable to the Landlord financial statements of the Tenant approved by the directors of the Tenant for the most recently ended fiscal year of the Tenant prepared at the Tenant's expense by an accounting professional. Such statements shall include at a minimum all operating, capital, maintenance reserve and special purpose funds and shall itemize administrative and program costs all of which must have first been approved by the directors of the Tenant;

Section 3.02- Delivery of Minutes of Tenant Board Meetings to Landlord

The Tenant shall, on request by the Landlord, provide minutes of its board of directors' meetings to the Landlord to the attention of the Landlord's Director of Social Planning.

ARTICLE IV

Section 4.01 - Limitation of Liability

The Landlord and its officials, officers, employees, agents, contractors, subcontractors, licensees and permittees (collectively, the "Landlord's Personnel") shall not, under any circumstances, be liable or responsible in any way for:

- (a) any personal injury, death or consequential damage of any nature whatsoever, however caused, that may be suffered or sustained by the Tenant its officers, employees, agents, contractors, subcontractors, licensees, permittees (collectively, the "Tenant's Personnel") or by any other person who may be in or about the Premises; or
- (b) any loss or damage of any nature whatsoever, however caused, to the Premises, any property belonging to the Tenant, the Tenant's Personnel, or to any other person while such property is in or about the Premises,

whether in the course of the performance of the Landlord's obligations under this Agreement or otherwise, unless resulting from the negligence of the Landlord or the Landlord's Personnel.

Section 4.02 - Exclusion of Liability

The Landlord and the Landlord's Personnel shall not under any circumstances be liable or responsible in any way for:

- (a) any personal injury, death or consequential damage of any nature whatsoever, that may be suffered or sustained by the Tenant or the Tenant's Personnel or any other person who may be in or about the Premises, or any loss or damage of any nature whatsoever to the Premises or to any property belonging to the Tenant, the Tenant's Personnel or to any other person while such property is in or about the Premises:
 - (i) caused by failure, by reason of breakdown or other cause, to supply adequate drainage, or by interruptions of any utility or other services, or by steam, water, rain, snow, or other substances leaking, entering, issuing or flowing onto or into any part of the Premises; or
 - (ii) however caused, if the Landlord or Landlord's Personnel enter upon the Premises in the case of an emergency;
- (b) any loss or damage of any nature whatsoever, however caused, to books, records, files, money, securities, negotiable instruments, papers or other valuables of the Tenant or its officers, employees or agents;
- (c) any business, economic or indirect loss or damage suffered or sustained by the Tenant or the Tenant's Personnel of any nature whatsoever, however caused; or
- (d) any loss which the Tenant is obligated to insure against hereunder or has insured against.

Section 4.03- Indemnification

The Tenant shall indemnify and save harmless the Landlord and the Landlord's Personnel in respect of all claims for bodily injury or death, property damage or other loss or damage arising from the conduct of any work by, or any act or omission of, or relating to or arising from the occupation, use and/or possession of the Premises and/or other Landlord property by the Tenant and/or the Tenant's Personnel and/or from any alterations to the Premises, and in respect of all costs, expenses and liabilities incurred by the Landlord and the Landlord's Personnel in connection with or arising out of all such claims, including the expenses of any action or legal proceeding pertaining thereto and the liabilities or obligations incurred or sustained by or imposed upon the Landlord and the Landlord's Personnel in respect of any loss, cost, expense or damage suffered or incurred by the Landlord and the Landlord's Personnel arising from any breach by the Tenant of any of its covenants and obligations under this Agreement.

Without limiting anything else contained in this Agreement, the Tenant shall at all times be liable to the Landlord for the actions of any third party that the Tenant permits to use the Premises. If those actions result in any damage or loss to the Premises or if the Landlord and/or the Landlord's Personnel sustain any loss of any kind due in whole or in part to such actions, the Tenant shall repair the damage or loss to the Landlord's satisfaction and shall indemnify the Landlord and the Landlord's Personnel for any loss they might sustain due in whole or part to such actions, except where such damage or loss was caused by or contributed to by the negligence of the Landlord or the Landlord's Personnel.

Section 4.04 - Notice of Liability Concerns

Forthwith after becoming aware of significant liability concerns regarding the operation of the Premises or any matter relating to the Premises or the use of the Premises, the Tenant shall notify the Landlord in accordance with Section 16.01 of this Agreement.

ARTICLE V

Section 5.01 - Definitions

In this Agreement, the following words and expressions shall have the following meanings:

- (a) **“Environment”** has the meaning given to it in the *Canadian Environmental Protection Act (Canada)* as of the date of this Agreement;
- (b) **“Environmental Laws”** means any and all statutes, laws, regulations, orders, bylaws, standards, guidelines, protocols, permits and other lawful requirements of any governmental authority having jurisdiction over the Premises now or hereafter in force relating in any way to the environment, environmental assessment, health, occupational health and safety, protection of any form of plant or animal life, or transportation of dangerous goods, including the principles of common law and equity;
- (c) **“Hazardous Substances”** means any Substance capable of creating harm to people, property, animal or plant life and/or the Environment including, without limitation, any flammable liquids, flammable or reactive solids, oxidizers, poisons, gases (compressed, liquefied or dissolved), explosives, radioactive materials, urea formaldehyde, asbestos-containing materials, above or underground storage tanks, compounds known as chlorobiphenyls, polychlorinated biphenyls (“PCBs”), PCB-containing equipment or materials, Pollutants, contaminants, hazardous, corrosive or toxic Substances, or Waste of any kind, including, without limitation, any Substance the storage, manufacture, disposal, treatment, generation, use, transport, remediation or Release into the Environment of which is prohibited, controlled, regulated or licensed by any Environmental Laws;
- (d) **“Medium”** means any land, water or air and includes the Premises;
- (e) **“Pollute”** is a verb which means to Release into or onto any Medium any Substance that:
 - (i) alters the physical, biological or chemical nature of that Medium;
 - (ii) alters the capacity of the Medium to support any living thing, whether animal or plant life;
 - (iii) injures or is capable of injuring the health or safety of a person in, on or near the Medium;
 - (iv) injures or is capable of injuring property or any life form in, on or near the Medium;

- (v) interferes with or is capable of interfering with visibility or the dispersion of light or any photochemical activity within the Medium;
- (vi) interferes with or is capable of interfering with the normal conduct of business in, on, near or from the Medium;
- (vii) causes or is capable of causing physical discomfort to a person in, on or near the Medium;
- (viii) damages or is capable of damaging the Environment; or
- (ix) is Waste,

and "Polluted" is an adjective, and "Pollution" and "Pollutant" are nouns, which have meanings that correspond to the meaning contained in this paragraph;

- (f) "Release" includes release, spill, leak, pump, pour, dump, abandon, emit, empty, discharge, spray, inoculate, deposit, seep, throw, place, exhaust, inject, escape, leach, dispose, infuse or introduce;
- (g) "Substance" has the meaning given to it in the *Canadian Environmental Protection Act* (Canada) as of the date of this Agreement; and
- (h) "Waste" has the meaning given to it in the *Environmental Management Act*, S.B.C. 2003, c. 53, as amended or substituted from time to time but if the *Environmental Management Act* is repealed, "Waste" has the meaning given to it on the day immediately preceding the repeal of that Act or if that Act is amended so that the term "Waste" is no longer used in it, then "Waste" has the same meaning as the term which replaces it in that Act.

Section 5.02 - Suitability of the Premises

The Tenant acknowledges and agrees that the Landlord, either itself or through its officers, employees or agents, has not made and the Tenant has not relied upon any representations or warranties from the Landlord or Landlord's Personnel as to:

- (a) the state of repair of the Premises ;
- (b) the suitability of the Premises for any business, activity or purpose whatever;
- (c) the suitability of the Premises for use by the Tenant;
- (d) the existence, nature or extent of any Pollution on or off the Premises ; or
- (e) the need to take any remedial action in relation to any Pollution on or off the Premises.

Section 5.03 - Tenant's Inspection of the Premises

The Tenant acknowledges and agrees that it has been afforded all reasonable opportunity to inspect the Premises and all relevant documentation in respect thereof and to carry out such audits, investigations, tests and surveys as it considers reasonably necessary to ascertain:

- (a) the state of repair of the Premises;
- (b) the suitability of the Premises for use by the Tenant;
- (c) the existence, nature or extent of any Pollution on the Premises; and
- (d) the need to take any remedial action in relation to any Pollution on or off the Premises;

and the Tenant has independently made all such inspections, audits, investigations, tests and surveys as it regards as being necessary for the above purposes. It is understood and agreed that the Premises are being leased to the Tenant on an "as is" basis.

The Tenant hereby assumes any and all duties, obligations or liabilities under any relevant law in respect of the Premises, including, but not limited to, any costs, expenses or liabilities for any remedial action for any Pollution of the Premises caused by the Tenant during the Term.

Section 5.04 - Release and Indemnification

The Tenant hereby releases the Landlord and its officers, employees and agents from any and all costs, expenses, damages, losses or liabilities that may be incurred or suffered by the Tenant by reason of or resulting from or in connection with or arising in any manner whatsoever out of:

- (a) the Premises not being suitable for use by the Tenant;
- (b) the Premises being, or being found to be at any time, Polluted; or
- (c) the need to take any remedial action and the taking of such action as a result of such Pollution on or off the Premises.

The Tenant shall indemnify, defend and save harmless the Landlord in respect of all claims for bodily injury (including death), property damage or other loss or damage, including damage to property outside the Premises, arising out of or in any way connected with the manufacture, storage, transportation, handling and discharge of Hazardous Substances on or from the Premises by the Tenant or any one for whom the Tenant is responsible in law.

Section 5.05 - Removal of Hazardous Substances

The Tenant shall not bring upon the Premises or any part thereof, or cause or suffer the bringing upon the Premises or any part thereof, any Hazardous Substances and if at any time there shall be any Hazardous Substances upon the Premises or a part thereof as a result of the breach of this covenant, the Tenant shall, at its own expense:

- (a) immediately give the Landlord notice to that effect and thereafter give the Landlord from time to time written notice of the extent and nature of the Tenant's compliance with the following provisions of this Article;
- (b) promptly remove the Hazardous Substances from the Premises in a manner which conforms with all laws and regulations governing the movement of the same; and

- (c) if requested by the Landlord, obtain at the Tenant's cost and expense from an independent consultant designated or approved by the Landlord verification of the complete and proper removal of the Hazardous Substances from the Premises or, if such is not the case, reporting as to the extent and nature of any failure to comply with the foregoing provisions of this Section 5.05.

Section 5.06 - Breach of Laws Relating to Hazardous Substances

Without limiting the generality of Section 5.05, the Tenant shall immediately give written notice to the Landlord of the occurrence of any event on the Premises constituting an offence under or a breach of any Environmental Laws from time to time enforced relating to Hazardous Substances, and at its own cost and expense, comply with all Environmental Laws from time to time in force relating to the Landlord, the Tenant, the activities carried out on the Premises relating to Hazardous Substances and the protection of the Environment and shall immediately give written notice to the Landlord of the occurrence of any event on the Premises constituting an offence thereunder or a breach thereof and, if the Tenant shall, either alone or with others, cause or suffer the happening of such event, the Tenant shall, at its own expense:

- (a) immediately give the Landlord notice to that effect and thereafter give the Landlord from time to time written notice of the extent and nature of the Tenant's compliance with the following provisions of this Section 5.06;
- (b) promptly remove the Hazardous Substances from the Premises in a manner which conforms with all laws and regulations governing the movement of the same; and
- (c) if requested by the Landlord, obtain at the Tenant's cost and expense from an independent consultant designated or approved by the Landlord a report verifying the complete and proper removal thereof from the Premises or, if such is not the case, a report as to the extent and nature of any failure to comply with the foregoing provisions of this Section 5.06.

The Tenant shall, at its own expense, remedy any damage to the Premises caused by such event within the Premises or by the performance of the Tenant's obligations under this Section 5.06 as a result of such occurrence.

If any governmental authority having jurisdiction shall require the cleanup of any Hazardous Substances held, Released, spilled, abandoned or placed upon the Premises or Released into the Environment from the Premises during the Term, then the Tenant shall, at its own expense, prepare all necessary studies, plans and proposals and submit the same for approval, provide all bonds and other security required by governmental authorities having jurisdiction and carry out the work and shall keep the Landlord fully informed and provide to the Landlord full information with respect to proposed plans and comply with the Landlord's requirements with respect to such plans and the Tenant agrees that if the Landlord determines, in its sole discretion, that the Landlord, its property or its reputation is placed in any jeopardy by the requirement for any such work, the Landlord may itself undertake such work or any part thereof at the cost and expense of the Tenant, pursuant to Section 11.07 of this lease.

Section 5.07 - Enquiries Pertaining to Hazardous Substances

The Tenant hereby authorizes the Landlord to make enquiries from time to time of any government or governmental agency with respect to the Tenant's compliance with any and all laws and regulations pertaining to the Tenant, the Tenant's activities on the Premises and the Premises including without limitation Environmental Laws pertaining to Hazardous Substances and the protection of the Environment; and the Tenant covenants and agrees that the Tenant will from time to time provide to the Landlord such written authorization as the Landlord may require in order to facilitate the obtaining of such information.

Section 5.08 - Landlord's Inspection of Goods

The Landlord may at any time and from time to time inspect the Tenant's goods upon the Premises and the Tenant's records relating thereto for the purpose of identifying the nature of the goods and the existence or absence of any Hazardous Substances and the Tenant shall assist the Landlord in so doing.

Section 5.09 - Ownership Remains with Tenant

If the Tenant shall bring or create upon the Premises any Hazardous Substances or suffer the bringing or creation upon the Premises of any Hazardous Substances or if the conduct of the Tenant's business shall cause there to be any Hazardous Substance upon the Premises then, notwithstanding any rule of law or equity to the contrary, such Hazardous Substance shall be and remain the sole and exclusive property of the Tenant and shall not become the property of the Landlord and notwithstanding the degree of affixation of the Hazardous Substance or the goods containing the Hazardous Substance to the Premises and notwithstanding the expiry or earlier termination of this Agreement.

Section 5.10 - Environmental Covenants Survive Termination

The obligations of the Tenant in this Article V shall survive the expiry or earlier termination of this lease save only that, to the extent that the performance of those obligations requires access to or entry upon the Premises or any part thereof the Tenant shall have such entry and access only at such times and upon such terms and conditions as the Landlord may from time to time specify; and the Landlord may, at the Tenant's cost and expense, undertake the performance of any necessary work in order to complete such obligations of the Tenant; but having commenced such work, the Landlord shall have no obligation to the Tenant to complete such work.

ARTICLE VI**Section 6.01 Landlord's Insurance**

The Landlord, at its sole cost, shall insure the Premises including, without limitation, the Landlord's furniture, appliances, equipment, fixtures other than trade fixtures, for an amount equal to the full replacement cost of such Premises, protecting the Landlord against "All Perils" of loss or damage including flood, sewer backup, fire, vandalism, earthquake, boilers and pressure vessels, protecting against usual and unusual perils, including damage caused by rupture of steam pipes, and such other perils as may be determined from time to time by the Landlord's Director of Risk Management in his/her sole discretion. Notwithstanding the foregoing, in its sole discretion and at its sole cost, the Landlord may elect to self-insure for all or any of the perils referred to in this Section 6.01.

Section 6.02 Tenant's Insurance

The Tenant shall, without limiting any of its obligations or liabilities under this Agreement, obtain and continuously carry during the term of this Agreement at its own expense and cost, insurance coverage with minimum limits of not less than those specified, as follows:

- (a) commercial general liability insurance with limits of Five Million Dollars (\$5,000,000) per occurrence or such higher limit of coverage as the Landlord's Director of Risk Management may require from time to time and the policy shall:
 - (i) indemnify and protect the Tenant and the Tenant's Personnel against all claims for loss, damage, injury or death to any person or persons and for loss of or damage to the Premises or to any public or private property occurring within or about the Premises or arising by virtue of the Tenant's occupation or possession of the Premises, including that caused by any third party permitted to use the Premises;
 - (ii) contain a cross-liability and severability of interest clause insuring the Tenant, the Landlord, the Landlord's Personnel and the Tenant's Personnel in the same manner and to the same extent as if separate policies had been issued to each and apply with respect to any action brought against one party by the other or by any officer, employee or agent of one party and any breach of a condition of the policy by any party or by any officer, employee or agent of one party shall not affect the protection given by the policy to any other party or to any officer, employee or agent of any party;
 - (iii) name the Landlord, its officials, officers, employees and agents as additional insureds;
 - (iv) include All Risk (Broad Form) Tenant's Legal Liability insurance, such coverage to include the activities and operations conducted by the Tenant and third parties in the Premises;
 - (v) include blanket contractual liability covering liability arising directly or indirectly out of the performance of this Agreement;
 - (vi) provide for a limit of deductibility not greater than Five Thousand Dollars (\$5,000) or such other limit as the Landlord's Director of Risk Management may sanction from time to time; and
 - (vii) without limiting anything else contained in this Agreement, adequately protect the Tenant from the actions of the third parties that the Tenant permits to occupy all or a portion of the Premises.
- (b) All Risk (Broad Form) insurance on property of every description and kind owned by the Tenant or for which the Tenant is legally liable or provided by or on behalf of the Tenant (and which is located in the Premises), including, without limitation, furniture, computers, equipment, toys, supplies, appliances, trade fixtures and any display model, project, prototype, tool, instrument and/or device within the Premises in an amount not less than ninety percent (90%) of the full replacement cost thereof. The City of Vancouver shall be added as named insured and loss payee with respect to its insurable interest.

Section 6.03 - General Requirements of Insurance

The following shall apply to all insurance policies:

- (a) the policies shall be with insurers duly authorized to carry on business in the Province of British Columbia, in a form and in amounts satisfactory from time to time and acceptable to the Landlord's Director of Risk Management and shall provide the Landlord with thirty (30) days' prior written notice of cancellation or material change resulting in a reduction of coverage. Notice shall be given to the City of Vancouver, Attention: Director of Real Estate Services. Notice must identify the name of the Tenant as set out in this Agreement and the location or address of the Premises;
- (b) neither the providing of insurance by the Tenant in accordance with the requirements hereof, nor the insolvency, bankruptcy or the failure of any insurance company to pay any claim accruing shall be held to relieve the Tenant from any other provisions of this Agreement with respect to liability of the Tenant or otherwise;
- (c) the insurance coverage shall be primary insurance as respects the Landlord and any insurance or self-insurance maintained by or on behalf of the Landlord, its officials, officers, employees or agents shall be excess of this insurance and shall not contribute with it; and
- (d) subject to the provisions of this Article VI, the Tenant shall provide at his/their own cost any additional insurance which the Tenant is required by law to provide or which the Tenant considers necessary.

Section 6.04 - Evidence of Insurance

Prior to the commencement of the Term, and from time to time during the Term within ten (10) days after demand by the Landlord, the Tenant will deliver to the Landlord, for each insurance policy the Tenant must obtain under this Agreement, a certificate of insurance, satisfactory to the Landlord, and a certified copy of the policy. If the Tenant fails to deliver to the Landlord any such certificate or policy of insurance within the stipulated time, the Landlord may obtain such insurance, and the Tenant will pay to the Landlord the cost of the premiums on demand by the Landlord from time to time.

ARTICLE VII**Section 7.01 - Termination on Damage or Destruction**

If the Premises are substantially damaged or destroyed to the extent that the Premises or a substantial area of the Premises are rendered unusable by the Tenant or convenient access to the Premises cannot be had, all as determined by the Landlord in its sole discretion, the Landlord may, at its option, elect to not rebuild or repair the Premises and may terminate this Agreement and the Tenant's liability for rent will end as of the date of such damage or destruction but such termination will not operate so as to relieve the Tenant of any liability arising from such damage or destruction. There will be no compensation to the Tenant on account of such termination.

Section 7.02 - Repair of Damage or Destruction

If the Landlord elects to rebuild or repair the Premises, the Landlord will commence rebuilding or repairing within sixty (60) calendar days of the occurrence of the damage or destruction. If the Landlord does not initiate the rebuilding or repairing within such time period or, having commenced rebuilding or repairing, does not prosecute same to completion with reasonable dispatch, then the Tenant may give the Landlord fourteen (14) calendar days notice of the termination of this Agreement but such termination will not operate so as to relieve the Tenant of any liability arising from such damage or destruction. There will be no compensation to the Tenant on account of such termination.

Section 7.03 - Abatement of Rent

In the event of damage or destruction to the Premises to the extent that the Premises or part of the Premises are rendered unusable or convenient access to the Premises cannot be had, which in either case is not caused by the default or negligence of the Tenant or those for whom it is responsible in law, the rent will abate in the same proportion that the area of which the Tenant is deprived bears to the total area as determined in the opinion of the Landlord and such abatement will continue only so long as the Landlord determines its continuance to be reasonable.

ARTICLE VIII**Section 8.01 - Assignment**

The Tenant shall not assign its leasehold interest in the Premises or any portion thereof save and except with the prior written consent of the Landlord, such consent not to be unreasonably withheld. If there are personal covenants herein on the part of the Tenant which, in the opinion of the Landlord's solicitors will not run with this Agreement, then the Landlord may withhold its consent to assignment unless the prospective assignee covenants with the Landlord to be bound by such personal covenants as if such covenants had been made between the Landlord and the prospective assignee. In no way will such consent release the Tenant of its personal covenants under this Agreement.

Any amalgamation of the Tenant with any other party, and any change of effective control of the Tenant, will constitute an assignment of the Tenant's interest under this Agreement and will be subject to all of the provisions of this Section 8.01. Change of effective control of the Tenant includes any transfer, voluntary or involuntary, direct or indirect, which results in a change in the person or persons exercising or who might exercise effective control of the Tenant or the business required to be carried on in the Premises.

Section 8.02 - Subleasing

Other than as permitted by the Operating Agreement, the Tenant shall not sublease, license, set over or otherwise part with possession of the Premises or any portion thereof or let any third party into possession of the Premises or any portion thereof save and except with the prior written consent of the Landlord, which consent the Landlord may unreasonably withhold.

Section 8.03- Assignment of Sublease Rent

Notwithstanding Section 8.02 hereof, the Tenant hereby assigns to the Landlord all rents and fees payable to the Tenant under any sublease, license or occupation agreement with any third party, which assignment shall supersede any provisions regarding the Tenant in bankruptcy and any claims of the creditors of the Tenant whether by execution, attachment, garnishing order or otherwise provided however the Landlord agrees to refrain from enforcing the said assignment so long as the Tenant shall not be in default in the payment of rent or the performance or observance of its covenants hereunder. Upon the Tenant falling into default in the payment of its rent or the performance or observance of its other covenants hereunder, the Landlord may forthwith direct the sublessee, licensee or such other third party to pay to the Landlord the sublease rent, license fees or other monies as would otherwise be owing to the Tenant from time to time and the payment of such monies to the Landlord shall *pro tanto* discharge the sublessee's, licensee's or other third party's obligations to the Tenant and the Landlord shall apply such monies to the rent and the performance and observance of the Tenant's covenants hereunder notwithstanding any claims on the part of the Tenant's trustee in bankruptcy or the Tenant's creditors, whether by execution, attachment, garnishing order or otherwise. If the sublessee, licensee or other third party fails to abide by the Landlord's directions in this behalf then, at the Landlord's election, the sublease, license or other third party agreement shall cease and determine and the Landlord may forthwith re-enter the subleased, licensed or occupied portion of the Premises and arrange for new occupants thereof whose occupation shall be subject to the provisions of this paragraph.

Section 8.04 - Mortgage of Lease

Under no circumstances whatsoever may this Agreement be mortgaged, or, except as contemplated by Section 8.01, otherwise encumbered by way of sublease, assignment or otherwise.

Section 8.05 Management Agreement

Subject to Section 8.01, under no circumstances whatsoever may the Tenant enter into any management agreement or other agreement with another party which licenses, transfers or assigns, temporarily or otherwise, the Tenant's rights and obligations in this Agreement without the Landlord's prior written consent.

ARTICLE IX**Section 9.01 - Bankruptcy**

If the Term or any of the goods or chattels of the Tenant are at any time seized or taken in execution by any creditor of the Tenant, or if the Tenant makes a general assignment for the benefit of creditors, or if the Tenant institutes proceedings to have the Tenant adjudicated as bankrupt or insolvent, or if the Tenant becomes the subject of bankruptcy or insolvency proceedings, or if a judgment, decree or order be entered by a court of competent jurisdiction adjudging the Tenant bankrupt or insolvent, or if the Tenant is unable to meet all debts as they fall due for a period of not less than three (3) months, or if the Tenant or its directors shall pass any resolution authorizing the dissolution or winding-up of the Tenant, or if a receiver, interim receiver, manager, receiver-manager, trustee or liquidator of all or any part of the Tenant's property shall be appointed or applied for by the Tenant or by one or more of the Tenant's creditors, then the Landlord shall be so notified and the then current

rent plus an additional three (3) months current rent shall immediately become due and be paid and the Landlord may immediately claim the same together with any arrears of rent and, at the option of the Landlord, the Term is subject to termination forthwith. If the Tenant becomes defunct or amalgamates with any other body without obtaining the prior written consent of the Landlord or if a committee is appointed under the *Patients Property Act*, R.S.B.C. 1996, c.349, as amended or substituted from time to time, to lawfully deal with the Tenant's estate then at the option of the Landlord the Term shall forthwith terminate. If the Tenant surrenders up its certificate of incorporation or otherwise ceases to exist the Term terminates as of such surrender or dissolution. If the Tenant is a natural person, at any time after the Tenant's death the Landlord may terminate the Term upon sixty (60) days notice to any executor or administrator of his estate.

ARTICLE X

Section 10.01 - Statutes and By-laws

The Tenant covenants to promptly and faithfully observe and comply with all federal, provincial or civic statutes, by-laws, regulations and orders now or hereafter which are in force and in effect which touch and concern the Premises or the Tenant's activities within the Premises, including, without limitation, any applicable Environmental Laws, and any amendments thereto, which deal with environmental protection and safety and/or Hazardous Substances. If any such statutes, by-laws, regulations, orders or guidelines are directed at owners, the Tenant shall perform and observe same at his own expense in the place and stead of the Landlord.

Without limiting the generality of the foregoing, the Tenant shall promptly and faithfully observe and comply with:

- (a) all federal, provincial or civic statutes, by-laws, regulations and orders and policies now or hereafter which are in force relating to the Tenant's operation of the Facility and shall provide the Landlord with evidence satisfactory to the Landlord, in its sole discretion, of such compliance on request by the Landlord; and
- (b) the British Columbia *Human Rights Code*, R.S.B.C. 1996, c. 210, as amended or substituted from time to time, which prohibits discrimination in many areas including in publications which are likely to expose a person or a group or class of persons to hatred or contempt because of the race, colour, ancestry, place of origin, religion, marital status, family status, physical or mental disability, sex, sexual orientation or age of that person or that group or class of persons.

The Tenant shall, on request by the Landlord, promptly provide the Landlord with evidence of compliance with this Section 10.01.

Section 10.02 - WorkSafeBC Coverage

Not so as to restrict the generality of Section 10.01 of this Agreement, the Tenant shall comply with all applicable requirements of WorkSafeBC ("WCB") including, without limitation, any requirement to procure and carry or cause to be procured and carried and paid for, at its own expense, full WCB coverage for itself and for all workers, employees, contractors, subcontractors, agents, licensees, permittees, and all others engaged on the

Tenant's behalf in connection with any work done or service performed on, in or around the Premises. The Landlord shall have the unfettered right to set off the amounts of the unpaid premiums and assessments for such WCB coverage against any monies owing by the Landlord to the Tenant pursuant to any grant application or otherwise. The Landlord shall have the right to withhold payment of any such monies until the WCB premiums, assessments and/or penalties in respect of the work done and/or service performed have been paid in full.

The Tenant confirms that it is registered and in good standing with the WCB and all assessments have been paid in full as of the date of this Agreement and that it shall throughout the Term continue to be registered and in good standing with the WCB and pay all assessments in full. If requested by the Landlord, the Tenant shall provide the Landlord with the Tenant's WCB registration number and a letter from the WCB confirming that the Tenant is registered in good standing with the WCB and that all assessments have been paid to the date thereof. The Tenant shall indemnify the Landlord and hold harmless the Landlord from all manner of claims, demands, costs, losses, sanctions and penalties and proceedings arising out of or in any way related to unpaid WCB assessments owing from any person or corporation engaged on the Tenant's behalf in connection with any work done or service performed on, in or around the Premises or arising out of or in any way related to the failure to observe safety rules, regulations and practices of the WCB, including penalties levied by the WCB.

The Tenant shall, on request by the Landlord, promptly provide the Landlord with evidence of compliance with this Section 10.02.

Section 10.03- Vancouver Charter

Nothing contained or implied herein shall prejudice or affect the Landlord's rights and powers in the exercise of its functions pursuant to the *Vancouver Charter*, S.B.C. 1953, c.55, as amended or substituted from time to time, and the rights and powers of the Landlord under all of its public and private statutes, by-laws and regulations, all of which may be as fully and effectively exercised in relation to the Premises as if this Agreement had not been executed and delivered by the Landlord and the Tenant.

Section 10.04 - Performance of Obligations

The Tenant covenants with the Landlord to faithfully and promptly pay the rent and perform and observe its obligations herein.

Section 10.05 - No Registration of Lease

The Landlord is not obligated to deliver this Agreement in registrable form. The Tenant shall not register this Agreement in the Land Title Office.

ARTICLE XI

Section 11.01 - Breach of Covenants

If and whenever:

- (a) any Rent payment or any part thereof is not made by the Tenant on the day appointed for payment thereof; or

- (b) the Tenant is in default in the payment of any money, other than Rent, required to be paid by the Tenant under the terms of this Agreement, including for any insurance costs, if applicable, incurred by the Landlord, and such default continues for ten (10) days following any specific due date on which the Tenant is to make such payment or, in the absence of such specific due date, for ten (10) days following notice requiring the Tenant to pay the same; or
- (c) the Tenant defaults in performing or observing any of the provisions of this Agreement other than those requiring payment of money to the Landlord but including, without limiting the generality of the foregoing, failure by the Tenant to comply with any statutes, bylaws, regulations or orders relating to its operation of a Facility, and such default continues for a period of twenty (20) days after notice thereof to the Tenant, except for a default which to be cured with all due diligence would require a longer period, then after such longer period, or if the Tenant fails to proceed promptly and diligently and continuously after the service of such notice to cure same; or
- (d) the Premises are vacated or unoccupied for ten (10) or more consecutive days while the Premises can be used for the Permitted Use, without the consent of the Landlord; or
- (e) the Premises are abandoned by the Tenant; or
- (f) this Agreement is terminated;

then and in every such case, it shall be lawful for the Landlord at any time thereafter without notice or demand, with or without process of law and by forcible entry if necessary, to re-enter into and upon the Premises, and to terminate this Agreement by leaving upon the Premises notice in writing of such termination. If the Landlord terminates this Agreement pursuant to this section, or otherwise as a result of default of the Tenant, there shall immediately become due and owing to the Landlord, in addition to any other sums payable to the Landlord hereunder as damages suffered by the Landlord as a result of the Tenant's breach, the then current month's rent, together with the rent accruing for the remainder of the Term. This provision for notice and termination shall not be construed so as to delay or supersede any specific remedy to which the Landlord may have recourse in this Agreement.

Section 11.02 - Distraint

The Tenant waives and renounces the benefit of any present or future law taking away or limiting the Landlord's rights against the property of the Tenant and, notwithstanding any such law, the Landlord may seize and sell all the Tenant's goods and property, whether within the Premises or not, and apply the proceeds of such sale towards any arrears of rent (including amounts deemed to be rent under this Agreement) and the costs of the seizure and sale. The Tenant further agrees that if it abandons the Premises and any arrears of rent remain unpaid, the Landlord, in addition to any remedy otherwise provided by law, may seize and sell those goods and property of the Tenant that were previously upon the Premises at any place to which the Tenant or any other person may have removed them from the Premises, in the same manner as if such goods and property had remained in, about or upon the Premises.

Section 11.03 - Right to Re-let

If the Landlord becomes entitled to re-enter the Premises the Landlord shall have the right, if it thinks fit, to enter the Premises as the agent of the Tenant either by force or otherwise without being liable for any prosecution therefor, and as agent of the Tenant to re-let the Premises or any part or parts thereof at the risk of the Tenant and, as agent for the Tenant, to receive the rent therefor and, as agent for the Tenant, to take possession of any furniture, equipment and other property therein and sell the same at public or private sale without notice. Such rent and proceeds from the sale of the furniture, equipment and other properties shall be allocated first to the Landlord's cost of so entering and re-letting, then to interest on amounts due by the Tenant to the Landlord hereunder and unpaid, and then to the payment of such unpaid sums. The balance of such rent and proceeds, if any, may be applied by the Landlord on account of the rent due hereunder to the Landlord.

Section 11.04 - Forfeiture

The Tenant hereby expressly waives any and all rights of redemption granted by or under any present or future laws in the event the Tenant shall be evicted or dispossessed from the Premises for any cause, statutory or otherwise, or if the Landlord re-enters the Premises following the occurrence of any default by the Tenant hereunder, or if this Agreement is terminated before the expiration date thereof originally fixed herein.

Section 11.05 - Remedies Generally

Mention in this Agreement of any particular right or remedy of the Landlord in respect of the default by the Tenant shall not preclude the Landlord from any other right or remedy in respect thereof, whether available at law or in equity or by statute or expressly provided for in this Agreement. No right or remedy shall be exclusive or dependent upon any one or more of such rights or remedies independently or in combination, such rights or remedies being cumulative and not alternative. Whenever the Tenant seeks a remedy in order to enforce the observance or performance of any of the terms, covenants and conditions contained in this Agreement on the part of the Landlord to be observed or performed, the Tenant's only remedy (except where another remedy is expressly provided herein, in which event the Tenant shall be restricted to that remedy) shall be for such damages as the Tenant shall be able to prove in a court of competent jurisdiction that the Tenant has suffered as a result of a breach (if established) by the Landlord in the observance and performance of any of the terms, covenants and conditions contained in this Agreement on the part of the Landlord to be observed and performed. The parties hereby waive trial by jury in any action, proceeding or counterclaim brought by either party against the other on any matter whatsoever arising out of or in any way connected with this Agreement, the relationship of the Landlord and the Tenant created hereby, the Tenant's use or occupancy of the Premises or any claim for any injury. In the event the Landlord commences any action or proceeding for non-payment of rent, the Tenant agrees not to interpose any counterclaim of any nature or description in any such action or proceeding. In the event of any breach or threatened breach by the Tenant of any of the terms and provisions of this Agreement, the Landlord shall have the right to injunctive relief as if no other remedies were provided herein for such breach. The Tenant hereby expressly waives any right to assert a defence based on merger and agrees that neither the commencement of any action or proceeding, nor the settlement thereof, nor the entry of judgment therein shall bar the Landlord from bringing any subsequent action or proceeding from time to time. If the Tenant shall default hereunder prior to the date fixed as the commencement of any renewal or extension of this Agreement, whether by a renewal or

extension option herein contained or by separate agreement, the Landlord may cancel such option or agreement for renewal or extension of this Agreement, upon written notice to the Tenant.

Section 11.06 - Expenses

If any legal proceeding is brought for recovery of possession of the Premises, for the recovery of rent or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, the Tenant shall pay to the Landlord as additional rent, upon demand, all costs and expenses incurred therefor (including without limitation, all professional and consultant fees, and all legal fees on a solicitor and his own client basis, disbursements, and all court costs and expenses of any legal proceeding; and the term "proceeding" shall include, without limitation, any arbitration, administrative, governmental, quasi-governmental or any other mediation proceeding and the term "costs" shall include the pro-rata portion of the wages, salaries and all other remuneration of the Landlord's officers and employees reasonably attributed to the matter).

Without limiting the generality of the immediately preceding paragraph or any other provisions of this Agreement, the Tenant shall pay to the Landlord, as additional rent upon demand, all costs and expenses (including, without limitation, those fees, disbursements, costs and expenses set out in the bracketed insert in the immediately preceding paragraph of this Section 11.06) which the Landlord may incur or pay out by reason of, or in connection with:

- (a) any proceeding by the Landlord to terminate this Agreement or for the recovery of possession of the Premises or for the recovery of rent;
- (b) any other proceeding by the Landlord against the Tenant or any indemnitor;
- (c) any distress levied by the Landlord against the Tenant's goods, chattels and inventory or any of them on the Premises for the recovery of rent;
- (d) any default by the Tenant in the observance or performance of any obligations of the Tenant under this Agreement whether or not the Landlord commences any proceeding against the Tenant or any indemnitor;
- (e) any proceeding brought by the Tenant against the Landlord (or any officer, employee or agent of the Landlord) in which the Tenant fails to secure a final judgment against the Landlord;
- (f) any other appearance by the Landlord or Landlord's Personnel as a witness or otherwise in any proceeding whatsoever involving or affecting the Landlord, the Tenant, this Agreement, the indemnity agreement (if any) or the Premises;
- (g) any amendment, modification or change in any of the terms of this Agreement or the indemnity agreement, if any, initiated by the Tenant (and any request or negotiations pertaining thereto, whether or not such amendment, modification or change is finally agreed on);
- (h) any renewal, extension, surrender, or release of this Agreement or the indemnity agreement, if any, initiated by the Tenant (and any request or negotiations

pertaining thereto, whether or not such renewal, extension, surrender or release becomes effective);

- (i) any transfer of this Agreement (and any request or negotiations pertaining thereto, whether or not such transfer is approved and finally agreed on); and
- (j) any Alterations of or to the Premises (and any request or negotiations pertaining thereto, whether or not such Alterations are approved and finally agreed on).

The Tenant's obligations under this Section 11.06 shall survive the expiration or earlier termination of this Agreement.

Section 11.07 - Landlord May Remedy Tenant's Default

If the Tenant fails to pay, when due, any amount required to be paid by the Tenant pursuant to this Agreement, the Landlord, after giving two (2) days' notice in writing to the Tenant, may, but shall not be obligated to, pay all or any part of it. If the Tenant is in default in the performance of any of its covenants or obligations hereunder (other than the payment of rent required to be paid by the Tenant pursuant to this Agreement), the Landlord may from time to time after giving such notice as it considers sufficient (or without notice in the case of an emergency) having regard to the circumstances applicable, perform or cause to be performed any of such covenants or obligations, or any part thereof, and for such purpose may do such things as may be required, including, without limitation, entering upon the Premises and doing such things upon or in respect of the Premises or any part thereof as the Landlord considers requisite or necessary. All expenses incurred and expenditures attributable to or made (including all employee, overhead and other internal costs) pursuant to this section 11.07, shall be paid by the Tenant to the Landlord as additional rent upon demand. The Landlord shall have no liability to the Tenant or any other person for any claims resulting from any such action, entry or performance of any work by the Landlord upon the Premises.

Section 11.08 - Security Agreement

[Intentionally Deleted]

ARTICLE XII

Section 12.01 - Vacant Possession

Upon termination of the Term, whether by the passage of time or otherwise, the Tenant shall deliver up vacant possession (unless the Landlord otherwise then agrees in writing) of the Premises and shall leave the Premises in a sanitary, neat, tidy, safe and empty condition free from all nuisance, debris, rubbish and stock-in-trade and shall ensure that the Premises are to the standard of repair and decoration required of the Tenant pursuant to Article II hereof.

Section 12.02 - Trade Fixtures

- (a) If the Tenant is not in default hereunder at the expiration of the Term, the Tenant shall have the right to remove its (but not the Landlord's) trade fixtures from the Premises but shall make good any damage caused to the Premises resulting from the installation or removal thereof.

- (b) If the Tenant fails to remove any of its trade fixtures and restore the Premises as provided in Section 12.02(a), all such trade fixtures shall become the property of the Landlord except to the extent that the Landlord requires removal thereof pursuant to Section 12.02(d).
- (c) If the Tenant abandons the Premises or this Agreement is terminated before the proper expiration of the Term due to a default on the part of the Tenant, as of the moment of such default by the Tenant, all trade fixtures and furnishings of the Tenant (whether or not attached in any manner to the Premises) shall, except to the extent the Landlord requires the removal thereof pursuant to Section 12.02(d) become and be deemed to be the property of the Landlord, without compensation to the Tenant but without prejudice to any other right or remedy of the Landlord at law or in equity.
- (d) Notwithstanding that any trade fixture is or may become the property of the Landlord, the Tenant shall forthwith remove all or part of the same and shall make good any damage caused to the Premises resulting from the installation or removal thereof, all at the Tenant's expense, should the Landlord so require by notice to the Tenant.
- (e) If the Tenant, after receipt of a notice from the Landlord pursuant to Section 12.02(d), fails to promptly remove any trade fixture in accordance with such notice, the Landlord may enter into the Premises and remove therefrom all or part of such trade fixture and make good any damage caused to the Premises resulting from the installation or removal thereof, without any liability accruing against the Landlord and at the expense of the Tenant, which expense shall forthwith be paid by the Tenant to the Landlord.

Section 12.03 - Overholding

If the Tenant continues to occupy the Premises after the expiration of the Term, and the Landlord shall accept rent, the new tenancy thereby created shall be a tenancy from month to month and not from year to year, and shall be subject to the covenants and conditions herein contained so far as may be applicable to a tenancy from month to month, and shall be determined by one month's prior notice in writing.

ARTICLE XIII RIGHT OF ENTRY

Section 13.01 - Landlord's Access to Premises For Showings/Inspection

The Landlord or Landlord's Personnel shall have the right to enter the Premises at any reasonable time (and upon twenty-four (24) hours prior written notice to the Tenant) to examine them or to show them to prospective purchasers, tenants or mortgagees, and to enter the Premises at such other times as mutually agreed between the Landlord and the Tenant (or on reasonable prior notice) to make such repairs as the Landlord may deem necessary or desirable and the Landlord will be allowed to take all required material into and upon the Premises without such entry constituting an eviction of the Tenant in whole or in part nor a breach of the Landlord's obligations. Whenever the Landlord enters the Premises, it shall take reasonable steps to avoid interfering with the Tenant's use and occupation of the Premises.

Section 13.02 - Landlord's Access to Records

The Landlord may at any reasonable time and upon twenty-four (24) hours written notice to the Tenant enter (or permit governmental authorities to enter) the Premises or any other office of the Tenant's for the purpose of ensuring the Tenant's compliance with this Agreement, including without limitation, by auditing the Tenant's environmental and financial records and by conducting soil, water and other tests, provided that the Landlord takes reasonable steps to avoid interfering with the Tenant's use and occupation of the Premises.

Section 13.03 - "For Lease/Sale" Signs

During the six (6) months prior to the expiration of the Term, the Landlord may place upon the Premises the usual notices "For Lease" or "For Sale" and the Tenant will permit the notices to remain without interference or interruption. The Landlord may at any time within six (6) months before the end of the Term enter the Premises and bring others at all reasonable hours for the purposes of showing the Premises to prospective tenants or purchasers.

Section 13.04 - Emergency Access

If and when for any reason an emergency will exist or be contemplated, the Landlord or its agents may enter the Premises by a master key, or may forcibly enter them, provided reasonable care is exercised, without rendering the Landlord or such agent liable, and without in any manner affecting the Tenant's obligations under this Agreement. However, despite the above, the Landlord has no obligation, responsibility or liability, for the care, maintenance or repair of the Premises except as otherwise specifically provided.

ARTICLE XIV**Section 14.01 - Option to Renew**

If the Tenant has duly and regularly paid all Rent and performed all of the other material obligations of the Tenant under this Agreement during the Term, the Landlord and the Tenant may renew this Agreement upon its expiry for the following additional renewal terms of 20 years each, commencing on the day following the expiry of the Term, which option must be exercised by agreement in writing at least 6 months prior to the expiry of the Term:

(a) February 1, 2034 - January 31, 2054; and

(b) February 1, 2054 - January 31, 2074;

(each, a "Renewal Term").

If the parties agree to renew this Agreement in accordance with this Section 14.01, all of the terms and conditions in this Agreement, excepting the right of renewal exercised, will be binding on the Landlord and Tenant for that Renewal Term. For each Renewal Term the Rent will be the same as set out in this Agreement for the initial Term.

ARTICLE XV**Section 15.01 - Landlord Released**

In the event of the sale or lease by the Landlord of the Premises or the assignment by the Landlord of its interest in this Agreement, the Landlord will without further written agreement be released and relieved of and from such liabilities and obligations.

Section 15.02 - Tenant's Covenant

The Landlord may sell, transfer or otherwise dispose of the Premises, or any portion of the Premises, to any party and upon the conveyance to such party of the Premises or any portion of them, the Tenant will attorn to and become the Tenant of such party under the terms of this Agreement and the Tenant will provide such party with an acknowledgment in writing binding upon the Tenant that it will perform the obligations and satisfy the liabilities of the Tenant, and any indemnifier or covenantor will execute and deliver a new covenant or indemnity agreement to such party on the same terms as any existing agreement with the Landlord.

Section 15.03 - Status Statement

The Tenant will provide within three (3) days of the request of the Landlord a status statement for the Landlord, addressed to the Landlord and any potential buyer or mortgagee, binding upon the Tenant, confirming:

- (a) that the Tenant has accepted possession of the Premises;
- (b) (whether or not the Landlord has carried out all of its obligations pursuant to this Agreement;
- (c) that this Agreement constitutes the whole of the agreement between the parties (or setting out such other agreements);
- (d) that this Agreement is in full force and effect and that there are no defences or set offs which the Tenant claims against the Landlord (or setting out any such claims); and
- (e) such other matters as may be reasonably required by the Landlord or any potential or actual purchaser of the Premises.

ARTICLE XVI**Section 16.01 - Delivery of Notices**

Any notice required to be given hereunder must be in writing and the sender must deliver it by hand or by fax or by mail to the party to which it is to be given, as follows:

(a) to the Tenant:

Community Builders Benevolence Group
404-999 Canada Place Way
Vancouver B.C.
V6C 3E2

Attention: Executive Director

and

(b) to the Landlord:

City of Vancouver
453 West 12th Avenue
Vancouver, British Columbia
V5Y 1V4

Attention: Director of Real Estate Services

or to such other address as the party may designate and will be deemed to have been received on the day of delivery if within business hours on a business day and otherwise on the next succeeding business day and, if mailed, the fifth (5th) day after mailing, provided that if there is between the time of mailing and the actual receipt of the notice a mail strike, slow-down or other labour dispute which might affect delivery of such notice then such notice shall only be effective if actually delivered.

Section 16.02 - Administration of Lease

Where this Agreement requires or permits on the part of the Landlord any authority, reservation, discretion, disallowance, approval or other act of supervision or the giving of any notice, such act or action shall be well and truly performed on the part of the Landlord when performed by the Landlord's Director of Real Estate Services or his nominee.

Section 16.03 - Covenants Survive Termination

The covenants herein on the part of the Landlord and the Tenant which, as of termination of this Agreement or the Term whether by passage of time or otherwise, remain unfulfilled, undischarged or otherwise outstanding shall nevertheless survive such termination and remain in full force and effect and be binding upon the parties and their respective successors and assigns so long as there is any liability or indebtedness by either party to the other or so long as any such covenant remains unfulfilled, undischarged or otherwise outstanding, whether in whole or in part, notwithstanding anything herein to the contrary.

Section 16.04 - Time is of the Essence

Time shall be of the essence of this Agreement, save as herein otherwise specified.

Section 16.05 - Captions and Headings

The captions and headings throughout this Agreement are for convenience and reference only and the words and phrases contained therein shall in no way be held or deemed to define,

limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision of or the scope or intent of this Agreement nor in any way affect this Agreement.

Section 16.06 - Interpretation

Words herein importing the singular number or the masculine gender only shall include more persons, parties or things of the same kind than one, and females or corporations as well as males, and the converse whenever the context requires; these presents shall extend to, be binding upon and enure to the benefit of the Landlord and the Tenant and the successors and assigns of the Landlord and the heirs, executors, administrators, successors and permitted assigns of the Tenant.

Section 16.07 - Joint and Several

Any covenant, agreement, condition or proviso made by two (2) or more persons shall be construed as several as well as joint.

Section 16.08 - Waiver

No waiver of or neglect to enforce this Agreement upon a default by the Tenant will be deemed to be a waiver of any such right upon any subsequent similar default. Without limiting the generality of this Section 16.08, the acceptance by the Landlord of part payment of any sums, including rent, required to be paid under this Agreement will not constitute a waiver or release of the Landlord's right to payment in full of such sums.

Section 16.09 - Entire Agreement

The Tenant acknowledges that there are no covenants, representations, warranties, agreements, terms or conditions expressed or implied relating to this Agreement or the Premises except as expressly set out in this Agreement, and that this Agreement may not be modified except by an agreement in writing executed by both the Landlord and the Tenant.

Section 16.10 - Governing Law

This Agreement will be governed by and interpreted in accordance with the laws of British Columbia and the parties irrevocably attorn to the jurisdiction of the courts of British Columbia.

Section 16.11 - Severability

If any provision or provisions of this Agreement are determined by a court to be illegal or not enforceable, it or they shall be considered separate and severable from this Agreement and the remaining provisions of this Agreement shall remain in full force and be binding upon the parties.

Section 16.12 - Relationship between Landlord and Tenant

Nothing contained in this Agreement nor any acts of the Landlord or the Tenant will be deemed to create any relationship between the Landlord and the Tenant other than the relationship of landlord and tenant.

**SCHEDULE A
TITLE SEARCH**

TITLE SEARCH PRINT

2014-01-15, 12:05:28

Requestor: PY14135

Folio/File Reference: SUPPLY MANAGEME

****CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN****

Title Issued Under	SECTION 98 LAND TITLE ACT
Land Title District Land Title Office	VANCOUVER VANCOUVER
Title Number From Title Number	CA3459525 BB1255583
Application Received	2013-11-16
Application Entered	2013-11-26
Registered Owner in Fee Simple Registered Owner/Mailing Address:	RIZE ALLIANCE (1300 GRANVILLE) PROPERTIES LTD., INC.NO. 754049 3204 - 1055 DUNSMUIR STREET VANCOUVER, BC V7X 1L4
Taxation Authority	CITY OF VANCOUVER
Description of Land Parcel Identifier: Legal Description:	029-210-666 AIR SPACE PARCEL 1 BLOCK 113 DISTRICT LOT 541 GROUP 1 NEW WESTMINSTER DISTRICT AIR SPACE PLAN EPP32587
Legal Notations	NOTICE OF INTEREST, BUILDERS LIEN ACT (S.3(2)), SEE BA512670 FILED 2006-06-02 HERITAGE DESIGNATION BYLAW NOTICE, VANCOUVER CHARTER. S.593 SEE BB1025547. HERITAGE REVITALIZATION AGREEMENT NOTICE, VANCOUVER CHARTER S. 592, SEE BB912388 HERETO IS ANNEXED EASEMENT CA3459526 OVER LOT A BLOCK 113 PLAN BCP44361 EXCEPT PART IN PLAN EPP32587

TITLE SEARCH PRINT

2014-01-15, 12:05:28

Requestor: PY14135

Folio/File Reference: SUPPLY MANAGEME

HERETO IS ANNEXED EASEMENT CA3459547 OVER PART OF LOT B BLOCK 113 PLAN
BCP44361 SHOWN ON PLAN EPP32588

Charges, Liens and Interests

Nature: EASEMENT AND INDEMNITY AGREEMENT
 Registration Number: B77264
 Registration Date and Time: 1974-12-09 12:41
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: COVENANT
 Registration Number: BB719657
 Registration Date and Time: 2008-10-10 13:18
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: COVENANT
 Registration Number: BB719659
 Registration Date and Time: 2008-10-10 13:18
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA
 EXTENDED BY BB1255581

Nature: STATUTORY RIGHT OF WAY
 Registration Number: BB719661
 Registration Date and Time: 2008-10-10 13:18
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: EQUITABLE CHARGE
 Registration Number: BB719663
 Registration Date and Time: 2008-10-10 13:18
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA
 EXTENDED BY BB1255582

Nature: OPTION TO PURCHASE
 Registration Number: BB1255586
 Registration Date and Time: 2010-04-13 15:12
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA
 PLAN BCP44362

TITLE SEARCH PRINT

2014-01-15, 12:05:28

Requestor: PY14135

Folio/File Reference: SUPPLY MANAGEME

Nature: COVENANT
 Registration Number: BB1255588
 Registration Date and Time: 2010-04-13 15:12
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY
 Registration Number: BB1255590
 Registration Date and Time: 2010-04-13 15:12
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA
 PLAN BCP44362

Nature: EQUITABLE CHARGE
 Registration Number: BB1255592
 Registration Date and Time: 2010-04-13 15:12
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY
 Registration Number: BB1255606
 Registration Date and Time: 2010-04-13 15:15
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: COVENANT
 Registration Number: BB1255607
 Registration Date and Time: 2010-04-13 15:15
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: EQUITABLE CHARGE
 Registration Number: BB1255608
 Registration Date and Time: 2010-04-13 15:15
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: OPTION TO PURCHASE
 Registration Number: BB1255616
 Registration Date and Time: 2010-04-13 15:16
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

TITLE SEARCH PRINT

2014-01-15, 12:05:28

Requestor: PY14135

Folio/File Reference: SUPPLY MANAGEME

Nature: COVENANT
 Registration Number: BB1255618
 Registration Date and Time: 2010-04-13 15:16
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: STATUTORY RIGHT OF WAY
 Registration Number: BB1255620
 Registration Date and Time: 2010-04-13 15:16
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: COVENANT
 Registration Number: BB1255622
 Registration Date and Time: 2010-04-13 15:16
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: COVENANT
 Registration Number: BB1255624
 Registration Date and Time: 2010-04-13 15:17
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: MORTGAGE
 Registration Number: BB4019954
 Registration Date and Time: 2011-10-31 12:57
 Registered Owner: THE TORONTO-DOMINION BANK
 Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS
 Registration Number: BB4019955
 Registration Date and Time: 2011-10-31 12:57
 Registered Owner: THE TORONTO-DOMINION BANK
 Remarks: INTER ALIA

Nature: MORTGAGE
 Registration Number: CA3274094
 Registration Date and Time: 2013-08-02 12:05
 Registered Owner: WEIMIAO YANG
 Remarks: INTER ALIA

TITLE SEARCH PRINT

2014-01-15, 12:05:28

Requestor: PY14135

Folio/File Reference: SUPPLY MANAGEME

Nature:	ASSIGNMENT OF RENTS
Registration Number:	CA3274095
Registration Date and Time:	2013-08-02 12:05
Registered Owner:	WEIMIAO YANG
Remarks:	INTER ALIA
Nature:	PRIORITY AGREEMENT
Registration Number:	CA3337300
Registration Date and Time:	2013-09-06 16:08
Remarks:	INTER ALIA GRANTING BB4019954 PRIORITY OVER CA3274094
Nature:	PRIORITY AGREEMENT
Registration Number:	CA3337301
Registration Date and Time:	2013-09-06 16:08
Remarks:	INTER ALIA GRANTING BB4019955 PRIORITY OVER CA3274095
Nature:	EASEMENT AND INDEMNITY AGREEMENT
Registration Number:	CA3459516
Registration Date and Time:	2013-11-16 09:13
Registered Owner:	CITY OF VANCOUVER
Remarks:	INTER ALIA
Nature:	PRIORITY AGREEMENT
Registration Number:	CA3459517
Registration Date and Time:	2013-11-16 09:13
Remarks:	INTER ALIA GRANTING CA3459516 PRIORITY OVER BB4019954 AND BB4019955
Nature:	PRIORITY AGREEMENT
Registration Number:	CA3459518
Registration Date and Time:	2013-11-16 09:13
Remarks:	INTER ALIA GRANTING CA3459516 PRIORITY OVER CA3274095 AND CA3274094
Nature:	STATUTORY RIGHT OF WAY
Registration Number:	CA3459519
Registration Date and Time:	2013-11-16 09:13
Registered Owner:	CITY OF VANCOUVER
Remarks:	INTER ALIA

TITLE SEARCH PRINT

2014-01-15, 12:05:28

Requestor: PY14135

Folio/File Reference: SUPPLY MANAGEME

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459520
 Registration Date and Time: 2013-11-16 09:13
 Remarks: INTER ALIA
 GRANTING CA3459519 PRIORITY OVER BB4019954 AND
 BB4019955

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459521
 Registration Date and Time: 2013-11-16 09:13
 Remarks: INTER ALIA
 GRANTING CA3459519 PRIORITY OVER CA3274095 AND
 CA3274094

Nature: EQUITABLE CHARGE
 Registration Number: CA3459522
 Registration Date and Time: 2013-11-16 09:13
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459523
 Registration Date and Time: 2013-11-16 09:13
 Remarks: INTER ALIA
 GRANTING CA3459522 PRIORITY OVER BB4019954 AND
 BB4019955

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459524
 Registration Date and Time: 2013-11-16 09:13
 Remarks: INTER ALIA
 GRANTING CA3459522 PRIORITY OVER CA3274095 AND
 CA3274094

Nature: EASEMENT
 Registration Number: CA3459529
 Registration Date and Time: 2013-11-16 09:13
 Remarks: APPURTENANT TO LOT A PLAN BCP44361 EXCEPT PART IN
 PLAN EPP32587

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459530
 Registration Date and Time: 2013-11-16 09:13
 Remarks: GRANTING CA3459529 PRIORITY OVER BB4019954 AND
 BB4019955

TITLE SEARCH PRINT

2014-01-15, 12:05:28

Requestor: PY14135

Folio/File Reference: SUPPLY MANAGEME

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459531
 Registration Date and Time: 2013-11-16 09:13
 Remarks: GRANTING CA3459529 PRIORITY OVER CA3274095 AND CA3274094

Nature: COVENANT
 Registration Number: CA3459532
 Registration Date and Time: 2013-11-16 09:13
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459533
 Registration Date and Time: 2013-11-16 09:13
 Remarks: INTER ALIA
 GRANTING CA3459532 PRIORITY OVER BB4019954 AND BB4019955

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459534
 Registration Date and Time: 2013-11-16 09:13
 Remarks: INTER ALIA
 GRANTING CA3459532 PRIORITY OVER CA3274095 AND CA3274094

Nature: EQUITABLE CHARGE
 Registration Number: CA3459538
 Registration Date and Time: 2013-11-16 09:13
 Registered Owner: RIZE ALLIANCE (1300 GRANVILLE) PROPERTIES LTD.
 INCORPORATION NO. BC0754049

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459539
 Registration Date and Time: 2013-11-16 09:13
 Remarks: GRANTING CA3459538 PRIORITY OVER BB4019954 AND BB4019955

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459540
 Registration Date and Time: 2013-11-16 09:13
 Remarks: GRANTING CA3459538 PRIORITY OVER CA3274095 AND CA3274094

TITLE SEARCH PRINT

2014-01-15, 12:05:28

Requestor: PY14135

Folio/File Reference: SUPPLY MANAGEME

Nature: COVENANT
 Registration Number: CA3459551
 Registration Date and Time: 2013-11-16 09:13
 Registered Owner: CITY OF VANCOUVER
 Remarks: INTER ALIA

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459552
 Registration Date and Time: 2013-11-16 09:13
 Remarks: INTER ALIA
 GRANTING CA3459551 PRIORITY OVER BB4019954 AND
 BB4019955

Nature: PRIORITY AGREEMENT
 Registration Number: CA3459554
 Registration Date and Time: 2013-11-16 09:13
 Remarks: INTER ALIA
 GRANTING CA3459551 PRIORITY OVER CA3274094 AND
 CA3274095

Duplicate Infeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

**SCHEDULE B
SERVICE LEVEL AGREEMENT**

For purposes of this document, the parties are identified as follows:

Adjacent Landlords:	Owners of Air Space Parcels or designated as the "Remainder"	Other ASP
Landlord:	City of Vancouver	CoV
Tenant:	Non-profit Operator	NPO

Generally the Tenant will pay their portion of *common costs* which may be both development-wide and/or building-specific common costs, including contingency reserve funds. Further, where these categories of costs relate only to the portion of costs associated with the tenant's area - by ratio established in the Service Level Agreement - NPO (proportionate share) is outlined below.

Where the party is identified as "Other ASP", this refers to the party usually referred to as the Remainder and which remains responsible for planning and implementing work on common systems or common areas. With respect to tenants of the City, this is provided for information purposes only. The City is responsible for contacting the "Other ASP" not the Tenant.

Shared Costs:

The split of costs associated with the shared costs of the Yale Hotel is 60% for the NPO, based on the below analysis.

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
1.	Heating, Ventilation and Air Conditioning exclusive to or within the Tenant's Space (excluding common equipment/systems)		
a	- annual inspection	NPO	NPO
b	- routine maintenance and repair	NPO	NPO
c	- provision & replacement of filter material	NPO	NPO
d	- cleaning of ducts	NPO	NPO
e	- life cycle replacement (Capital Maintenance)	NPO	NPO
2.	Common Heating, Ventilation and Air Conditioning (systems serving more than the Tenant's Space)		
a	- annual inspection, maintenance and repair	Other ASP	NPO (proportionate share)

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
b -	life cycle replacement	Other ASP	NPO (proportionate share)
3.	Plumbing Systems exclusive to or within the Tenant's Space (excluding common systems/equipment)		
a -	preventive maintenance and repairs to hot water heating systems	NPO	NPO
b -	major repairs and replacement of hot water heating systems	NPO	NPO
c -	repairs to all fixtures including faucets, unplugging toilets and all other routine repairs	NPO	NPO
d -	life cycle replacement of hot water systems, fixtures and piping	NPO	NPO
4.	Common Plumbing Systems (systems serving more than the Tenant's Space)		
a -	annual inspection, maintenance and repair	Other ASP	NPO (proportionate share)
b -	life cycle replacement	Other ASP	NPO (proportionate share)
5.	Mechanical Systems exclusive to or within the Tenant's space (excluding common systems/equipment)		
a -	preventive maintenance and repairs	NPO	NPO
b -	life cycle replacement	NPO	NPO
c -	installation, maintenance and replacement of additional equipment provided and installed by the occupant	NPO	NPO
6.	Common Mechanical Systems (systems serving more than the Tenant's Space)		
a -	annual inspection, maintenance and repair	Other ASP	NPO (proportionate share)
b -	life cycle replacement	Other ASP	NPO (proportionate share)
7.	Fire Protection & Suppression exclusive to the Tenant's Space		
a -	monthly inspection of fire extinguishers and smoke detectors within the premises	NPO	NPO
b -	annual inspection of fire extinguishers within premises	NPO	NPO

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
c	- repairs/recharging of fire extinguishers within premises	NPO	NPO
8.	Common Fire Protection & Suppression (systems serving more than the Tenant's Space)		
a	- annual inspection, maintenance and repairs of the fire alarm system	Other ASP	NPO (proportionate share)
b	- life cycle replacement of fire alarm system	Other ASP	NPO (proportionate share)
c	- annual inspection, maintenance and repair of fire sprinkler system	Other ASP	NPO (proportionate share)
d	- life cycle replacement of fire sprinkler system	Other ASP	NPO (proportionate share)
9.	Security Systems dedicated to or within the Tenant's Space		
a	- system monitoring, inspection, maintenance and repair	NPO	NPO
b	- life cycle replacement	NPO	NPO
c	- repair, replacement, re-keying of all locks	NPO	NPO
10.	Common Security Systems (systems serving more than the Tenant's space)		
a	- system monitoring, inspection, maintenance and repair	Other ASP	NPO (proportionate share)
b	- life cycle replacement	Other ASP	NPO (proportionate share)
11.	Electrical Distribution Systems exclusive to or within the Tenant's Space (excluding common systems/equipment)		
A	- repairs and upgrades required by Code	NPO	NPO
b	- inspection, maintenance and repair of wiring, breakers and electrical panels	NPO	NPO
c	- life cycle replacement of wiring, breakers and panels	NPO	NPO
d	- repair or replacement of switches, receptacles, cover plates	NPO	NPO
12.	Common Electrical Distribution Systems (systems serving more than the Tenant's Space)		

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
a	- inspection, maintenance and repair of electrical distribution systems to the leased premises	Other ASP	NPO (proportionate share)
b	- life cycle replacement of electrical distribution systems to the leased premises	Other ASP	NPO (proportionate share)
13.	Lighting Systems within the Tenant's Space		
a	- bulb/tube replacement for interior lighting	NPO	NPO
b	- annual inspection and maintenance of interior emergency/exit lighting	NPO	NPO
c	- interior lighting ballast replacement	NPO	NPO
d	- life cycle replacement of fixtures - except specialty fixtures such as theatrical lighting.	NPO	NPO
e	- life cycle replacement of specialty fixtures	NPO	NPO
f	- cleaning of interior light fixtures	NPO	NPO
g	- provision, maintenance, repair and replacement of portable lighting fixtures	NPO	NPO
14.	Common Lighting Systems (systems serving more than the Tenant's Space)		
a	- inspection, maintenance, repair, and cleaning	Other ASP	NPO (proportionate share)
b	- life cycle replacement	Other ASP	NPO (proportionate share)
15.	Interior and Exterior Windows within the Tenant's Space		
a	- breakage, routine repair and replacement of interior windows	NPO	NPO
b	- breakage, routine repairs and replacement of exterior windows, not caused by occupant or operations	Other ASP	NPO (proportionate share)
c	- cleaning of interior windows and interior surfaces of exterior windows	NPO	NPO
d	- breakage and routine repairs of exterior windows caused by occupant or operations	Other ASP	NPO
16.	Common Area Windows		
a	- breakage and routine repair	Other ASP	NPO (proportionate share)
b	- cleaning (of exterior surfaces)	Other ASP	NPO (proportionate share)

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
c	- cleaning (of interior surfaces)	Other ASP	NPO (proportionate share)
d	- life cycle replacement	Other ASP	NPO (proportionate share)
17.	Interior and Exterior Doors within the Tenant's Space		
a	- maintenance and repair of interior doors	NPO	NPO
b	- life cycle replacement of interior doors	NPO	NPO
c	- maintenance and repair of exterior doors	NPO	NPO
d	- life cycle replacement of exterior doors	NPO	NPO
18.	Common Area Doors		
a	- maintenance and repair	Other ASP	NPO (proportionate share)
b	- life cycle replacement	Other ASP	NPO (proportionate share)
19.	Interior Surfaces within the Tenant's Space		
a	- interior life cycle repainting	NPO	NPO
b	- maintenance and cleaning of window applications including, but not limited to blinds and curtains	NPO	NPO
c	- repairs to interior walls and ceilings, including minor painting	NPO	NPO
d	- life cycle replacement of ceiling tiles	NPO	NPO
e	- interior repairs due to building system failures such as roof leaks, exterior walls and foundation leaks not caused by the occupant or operations	Other ASP	NPO
f	- maintenance and repairs of floor coverings, including carpet and tile	NPO	NPO
g	- life cycle replacement of flooring	NPO	NPO
h	- maintenance, repair, and replacement of millwork	NPO	NPO
20.	Common Area Interior Surfaces		
a	- all maintenance and repairs	Other ASP	NPO (proportionate share)
b	- all capital maintenance or replacements	Other ASP	NPO (proportionate share)
21.	Major Structural Systems included within the Tenant's Space		

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
a	- repairs or replacements of foundations, flooring sub-structure, building envelope including bearing walls and roofing	Other ASP	NPO (proportionate share)
b	- repairs and painting of exterior surfaces including windows, trim, fascia and soffits	Other ASP	NPO (proportionate share)
c	- cleaning of exterior surfaces	Other ASP	NPO (proportionate share)
22. Major Structural Systems external to the Tenant's Space			
a	- all repairs and replacements	Other ASP	NPO (proportionate share)
23. Common Site Services			
a	- landscaping repairs and maintenance	Other ASP	NPO (proportionate share)
b	- grass cutting	Other ASP	NPO (proportionate share)
c	- general cleaning of grounds, litter disposal	Other ASP	NPO (proportionate share)
d	- snow and ice removal from steps, walkways, entrances including the provision of de-icing materials	Other ASP	NPO (proportionate share)
e	- removal of snow from entrance to parking areas	Other ASP	NPO (proportionate share)
f	- snow and ice removal from roof areas	Other ASP	NPO (proportionate share)
g	- repairs of water and sewage systems (beyond the building perimeter)	Other ASP	NPO (proportionate share)
H	- maintenance, repair and replacement of gates and fences (excluding tenant specific gates and fences)	Other ASP	NPO (proportionate share)
i	- maintenance and repair of parking areas	Other ASP	NPO (proportionate share)
24. Signage exterior to the Tenant Space			
a	- maintenance, repair, and replacement (subject to prior approval of the CoV and Other ASP)	NPO	NPO
25. Interior Signage within the Tenant Space			
a	- maintenance, repair and replacement of interior signage	NPO	NPO
26. Janitorial Services within the Tenant's Space			

Item	Description	Party to Perform the Work	Party Responsible to Pay for Work
a	- routine janitorial/custodial services	NPO	NPO
b	- pest control services (interior)	NPO	NPO
c	- provision of all washroom supplies	NPO	NPO
27.	Appliances, Program and Other Non-Installed Equipment within the Tenant's Space		
a	- inspection, maintenance and repair of all non-building equipment including stoves, refrigerators, microwaves, coolers, free standing cabinets, track lighting	NPO	NPO
b	- replacement of all appliances, program and non-installed equipment	NPO	NPO
c	- maintenance, repair and replacement of furniture	NPO	NPO
28.	Renovations and Upgrades within the Tenant's Space		
a	- any upgrades, additions, enhancements or improvements beyond what was originally provided during construction (subject to prior approval by CoV and if required, other ASP owners)	NPO	NPO
29.	Utilities		
a	- electricity	NPO	NPO
b	- gas	NPO	NPO
c	- water and sewer	NPO	NPO
30.	Business Operations		
a	- staff costs	NPO	NPO
b	- telephone, internet & cable services	NPO	NPO
c	- insurance (CGL, business interruption, contents, etc.)	NPO	NPO
d	- supplies and equipment, including for bathroom and kitchen	NPO	NPO
e	- security services related directly to tenant's space	NPO	NPO

Life Cycle Replacement

Life cycle replacement is based on fair wear and tear. The need of such replacement is at the Landlord's sole discretion.

Damage

Notwithstanding the foregoing, it is a condition hereof that the Landlord's obligation to maintain, repair, and replace parts of the Premises as indicated above is always subject to the availability of funds currently budgeted by the Landlord for such purposes at the Premises.