

**NET INDUSTRIAL LEASE**

**SLATE HWD INC.**

Landlord

- and -

**GH POWER INC.**

Tenant

Unit No. 4  
1055 Burlington Street East  
Hamilton, Ontario

Rentable Area: approximately 31,779 square feet

Date: June 21, 2023

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## NET INDUSTRIAL LEASE

THIS LEASE is made as of the 21<sup>st</sup> day of June, 2023

between Landlord and Tenant listed below.

### **PART 1 - BASIC INFORMATION**

1.1    **Landlord**    Name:    **SLATE HWD INC.**  
Address:    121 King Street West, Suite 200, Toronto, Ontario, M5H 3T9

Phone No.:    416 619-4282  
Email Address: [steven@slateam.com](mailto:steven@slateam.com)

1.2    **Tenant**    Name:    **GH POWER INC.**  
Address:    Unit No. 4, 1055 Burlington Street East, Hamilton, Ontario

Phone No.:    647 823-3722  
Email Address: [ggrahn@ghpower.com](mailto:ggrahn@ghpower.com)

1.3    **Indemnifier**    None.

1.4    **Building**    1055 Burlington Street East, Hamilton, Ontario, and situate upon the Lands described in Schedule 1 to this Lease, comprising part of the Project.

1.5    **Premises**    The area indicated as approximately outlined in broken red lines on Schedule 2 to this Lease, currently designated as Unit No. 4, located in the Building and having a Rentable Area of approximately thirty-one thousand, seven hundred and seventy-nine (31,779) square feet, subject to measurement in accordance with section 5.8 hereof.

1.6    **Use**    The Premises may not be used for any purpose other than for the manufacture of hydrogen gas, aluminum oxide and related energy production for sale and distribution, as well as ancillary offices (the "*Initial Use*"), in compliance with the standards of a comparable industrial building of similar, age, size and condition in the City of Hamilton and Applicable Law and any other use permitted by Applicable Law so long as such other use is not more burdensome on the Premises and the Building, subject to the Landlord's approval, such approval not to be unreasonably withheld.

1.7    **Term**    Five (5) years, commencing on June 1, 2023 (the "**Commencement Date**") and expiring May 31, 2028, subject to Tenant's option to extend provided for herein (if applicable).

1.8    **Basic Rent**

<b><u>Lease Years</u></b>	<b>Annual Rate (per square foot of Rentable Area of the Premises)*</b>	<b>Annual Amount (plus Rental Taxes)*</b>	<b>Monthly Amount (plus Rental Taxes)*</b>
June 1, 2023 to May 31, 2025	\$7.00	\$222,453.00	\$18,537.75
June 1, 2025 to May 31, 2026	\$18.00	\$572,022.00	\$47,668.50

June 1, 2026 to May 31, 2027	\$18.72	\$594,902.88	\$49,575.24
June 1, 2027 to May 31, 2028	\$19.47	\$618,737.13	\$51,561.43

\*Subject to adjustment pursuant to section 5.8

- 1.9    **Additional Rent** In addition to Basic Rent, Tenant shall pay Additional Rent in accordance with this Lease.
- 1.10    **Deposit** Tenant shall deposit with Landlord by no later than the date of execution and delivery of this Lease by Tenant to Landlord, the sum of Eighty Thousand Dollars (\$80,000.00) (the "**Deposit**") to be held as provided in section 5.6 of this Lease.
- 1.11    **Prepaid Rent** Intentionally Deleted.

#### **PART 2 - BASIC TERMS AND PRINCIPLES**

- 2.1    **Lease** This is a lease as well as a business contract. It is intended that this Lease be an absolutely net and carefree lease for Landlord and that rent be received by Landlord free of any cost or obligation concerning the Premises or the Project unless specified in this Lease. Each provision of this Lease applicable to each party although not expressed as a covenant, shall be construed to be a covenant of such party for all purposes. The Schedules to this Lease form a part of this Lease.
- 2.2    **Grant** In consideration of the rents to be paid and the covenants contained in this Lease, Landlord leases the Premises to Tenant and Tenant leases and accepts the Premises from Landlord, to have and to hold the Premises during the Term, at the rent, subject to the conditions and limitations and in accordance with the covenants contained in this Lease.
- 2.3    **Quiet Enjoyment** Landlord agrees that so long as Tenant is not in default under the terms of this Lease beyond the expiry of any applicable notice and cure period provided for herein, Tenant shall and may peaceably possess and enjoy the Premises for the Term without any hindrance, interruption or disturbance from Landlord, subject nevertheless to the terms, covenants, conditions and limitations of this Lease.
- 2.4    **Basic Covenants** Landlord covenants to observe and perform all of the terms and conditions to be observed and performed by Landlord under this Lease. Tenant covenants to pay the Rent when due under this Lease, and to observe and perform all of the terms and conditions to be observed and performed by Tenant under this Lease.
- 2.5    **Consent Not to be Unreasonably Withheld/Allocations to be Reasonable** Except as otherwise specifically provided in this Lease, Landlord and Tenant, and each person acting for them, in granting a consent or approval or making a determination, designation, calculation, estimate, conversion or allocation under this Lease, will act reasonably and in good faith and each Architect or other professional person employed or retained by Landlord or Tenant will act in accordance with the applicable principles and standards of such person's profession. Tenant's sole remedy against Landlord in respect of any breach or alleged breach of this section shall be an action for specific performance and, without limitation, Landlord shall not be liable for damages and Tenant shall not be entitled to any other rights or remedies. If either party withholds any consent or

approval where it is required to act reasonably, such party shall, on written request, deliver to the other party a written statement giving the reasons for withholding the consent or approval.

- 2.6 **Unavoidable Delay** If either party to this Lease is unable to perform any of the terms, obligations or conditions contained in this Lease due to Unavoidable Delay then such party will be deemed not to be in default under this Lease for the period of such delay and the time for the performance of any such term, obligation or condition will be extended for the period of such delay, provided that insolvency, lack of funds, inability to obtain financing or other financial contingency will not relieve any party to this Lease from fulfilment of any obligation arising under this Lease.
- 2.7 **Basic Information** Each reference in this Lease to any portion of the Basic Information shall incorporate the specific information described in Part 1 above. Certain words and phrases recurring throughout this Lease have defined meanings as set out in Schedule 3 to this Lease, unless otherwise provided.

### **PART 3 - USE**

- 3.1 **Use** Tenant covenants to use the Premises only as specified in section 1.6.
- 3.2 **Common Areas** The Common Areas, shall be subject to the exclusive control and management of Landlord or as Landlord may direct from time to time. Landlord agrees that Tenant, in common with all others entitled thereto may use and have access through the Common Areas for their intended purposes, provided however, that in a real or perceived emergency or in the case of Landlord making repairs, Landlord may temporarily close or restrict the use of any part of the Common Areas, although Landlord shall, in such instances, use commercially reasonable efforts to minimize interference with Tenant's access to and use of the Premises. For greater certainty, Tenant agrees that Landlord shall be permitted access to the mechanical room and/or electrical room within the Premises, if any, upon one (1) business day's prior written notice (except in a real or perceived emergency, in which event, no notice will be required, and provided that, except in the case of emergency, at Tenant's request, Landlord shall be accompanied by a representative of Tenant, provided, however that so long as Landlord has provided Tenant with prior written notice (as hereinafter set out in this section 3.2), Landlord shall not be prohibited from accessing the mechanical room and/or electrical room within the Premises if there is no personnel of Tenant present to accompany Landlord and/or its representatives). Landlord will give Tenant at least one (1) business day's prior written notice before accessing the mechanical room and/or electrical room, except in the case of emergencies where no notice shall be required.
- 3.3 **Compliance with Operating Standards** Tenant shall comply with the Operating Standards. Landlord may from time to time make other reasonable rules and regulations to amend and supplement the Operating Standards and which relate to the operation, use, reputation, safety, care or cleanliness of the Project and the Premises, the operation and maintenance of buildings and equipment, the use of Common Areas, and any other matters affecting the operation and use of the Project and conduct of business in the Premises, provided same do not conflict with the provisions of this Lease or impose any greater obligation or charge or payment on Tenant which is not expressly provided for in this Lease and provided same are not arbitrarily applied. However, Tenant shall not be responsible for complying with any other rules and regulations or amendments or supplementations to the Operating Standards unless written notice of them is first given to Tenant in writing.

3.4 **Compliance with Laws** Tenant is responsible at all times to comply with and to keep the Premises, the Leasehold Improvements and Trade Fixtures in compliance and accordance with the requirements of all Applicable Law and all directions, rules, regulations or codes of Landlord (acting reasonably) and of every Authority having jurisdiction and of any insurer by which Landlord or Tenant is insured and affecting the construction, operation, condition, maintenance, use or occupation of the Premises or the making of any repair, improvement or alteration including, without limitation, compliance with each Environmental Law (but without derogating from Landlord's obligations to make structural repairs or replacements under this Lease) and any agreements with adjoining owners and or third parties affecting the Premises and the Building of which Tenant has been made aware in writing. Tenant shall not allow or cause any act or omission to occur in or about the Premises which results in an illegal or prohibited use or causes any breach of or non-compliance with Applicable Law and such directions, rules, regulations and codes. If, due to Tenant's acts, omissions or use of the Premises, repairs, alterations or improvements to the Premises or the Building are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant will pay the entire cost thereof but without derogating from Landlord's obligations to make structural repairs or replacements under this Lease. Within ten (10) days after Landlord's written request (but in any event not more than twice in each calendar year during the Term), Tenant shall provide a true and complete copy of all environmental permits and compliance certificates, if any, for Tenant's permitted business operations and all other activities by Tenant at, upon or about the Premises required and/or issued by any Authority pursuant to any Environmental Law, if any.

Notwithstanding anything in this Lease to the contrary, Tenant shall not be responsible for any non-compliance with Applicable Law (including Environmental Law) existing prior to Tenant taking possession of the Premises (being January 12, 2023).

3.5 **No Waste or Nuisance** Tenant shall not commit or permit any waste or damage to the Premises or the Project, or commit or permit anything which disturbs the quiet enjoyment of any occupant of the Project or which interferes with the operation of the Project. Tenant will not cause or permit any nuisance or hazard in or about the Premises and will keep the Premises free of any debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any noxious or strong noises or odours or anything which may disturb the enjoyment of the Project and the Common Areas by Landlord or other tenants. Without limiting the generality of the foregoing: (a) Tenant shall not use or permit the use of any equipment or device such as, without limitation, loudspeakers, stereos, public address systems, sound amplifiers, radios or televisions, which is audible or visible outside of the Premises in an unreasonable manner (as determined by Landlord, acting reasonably) or which would cause a nuisance (as determined by Landlord, acting reasonably); and (b) no noxious or strong odours shall be allowed to permeate outside the Premises; in each case without the prior written consent of Landlord which may be arbitrarily withheld or withdrawn on twenty-four (24) hours' notice to Tenant.

3.6 **After Hours Access** Subject to Landlord's rights in this Lease, and except in the case of a real or perceived emergency, Tenant shall be permitted to access the Premises twenty-four (24) hours per day, seven (7) days a week throughout the Term, provided Tenant is not in default under this Lease beyond the expiry of any applicable notice and cure period provided for herein and Tenant pays the costs of any Additional Services, if any, arising from Tenant's access to the Building after Normal Business Hours including, to the extent applicable, Utilities and HVAC, unless otherwise specifically provided in Schedule 8 if applicable. Tenant acknowledges that Landlord may

implement, maintain and alter, from time to time, a security card access system for the Building. Tenant further acknowledges that Landlord's estimates of Operating Costs from time to time are based upon ordinary usage of the Premises during Normal Business Hours.

- 3.7 **Backflow Preventer** If required by Landlord, acting reasonably, or by any Applicable Law as a result of any Tenant's work from time to time, whether as part of Tenant's Work provided for in Schedule 8, if applicable, or otherwise, and including the installation of all Leasehold Improvements and Trade Fixtures and the carrying out of all Alterations, Tenant shall, at Tenant's sole cost and expense, install, maintain, repair and/or replace a backflow prevention device (the "**Backflow Preventer**") in order to protect potable water supplies from contamination or pollution due to undesirable reversal of flow of a liquid, gas, or suspended solid into the potable water supply. In addition, Tenant shall be responsible to arrange, at Tenant's cost, for annual testing of the Backflow Preventer, by a firm acceptable to Landlord, acting reasonably, and shall submit to Landlord and, if required, to the applicable Authority, a copy of the report from such firm. The installation, maintenance, repair and/or replacement of the Backflow Preventer shall be subject to the other provisions of this Lease regarding same including, without limitation, Part 8 below.
- 3.8 **Public Health Emergency** Landlord and Tenant agree that in anticipation of, during, and for a period of time following (each as Landlord shall determine, acting reasonably) a Public Health Emergency, in addition to Landlord's rights in this Lease, the following shall apply:
- (a) Landlord shall have the right, acting reasonably and having regard to the type of Public Health Emergency and to the extent required by Applicable Law, to:
    - (i) close, limit, control, regulate, restrict and/or prohibit access to the Premises and the Building and any part or parts thereof, and to re-open same, as Landlord shall determine, acting reasonably;
    - (ii) implement additional reasonable security measures including, without limitation, health screening measures and conditional entry to the Building by all persons (including Tenant, its employees and invitees);
    - (iii) amend or supplement existing Operating Standards and/or rules and regulations at the Building, and implement new Operating Standards and/or rules and regulations for the Building, subject to the provisions of section 3.3 of this Lease;
    - (iv) improve, enhance, modify, supplement, suspend, restrict or limit the provision of any or all services to the Premises and the Building and any part or parts thereof.
  - (b) Intentionally deleted.
  - (c) All of the reasonable costs incurred by Landlord in respect of the Building or any part or parts thereof and which are incurred in connection with or related to the Public Health Emergency shall be included in Operating Costs.
  - (d) Landlord and Tenant shall act reasonably and co-operatively and in good faith to minimize the impact of the Public Health Emergency on the Premises and the Building and its operations. Landlord's response, if any, to a Public Health Emergency, shall be guided by the recommendations of any Authority.

- (e) This section 3.8 shall not impose any duty, obligation or liability on Landlord in respect of a Public Health Emergency or Landlord's response thereto, if any, unless required by Applicable Law.

#### **PART 4 - TERM - POSSESSION**

- 4.1 **Term** This Lease shall be for the Term set out in section 1.7 unless earlier terminated as provided in this Lease or extended pursuant to Schedule 8, if applicable.
- 4.2 **Acceptance of Premises and Fixturing** Tenant accepts the Premises in an as-is condition. See paragraph 2 of Schedule 8 for Fixturing Period.
- 4.3 **Delayed Possession** Intentionally Deleted.
- 4.4 **Effect of Termination** The expiry or termination of this Lease whether by elapse of time or by the exercise of any right of either Landlord or Tenant pursuant to this Lease shall be without prejudice to the right of Landlord to recover arrears of rent and the right of each party to recover damages for an antecedent default by the other.
- 4.5 **Surrender** Tenant shall surrender possession of the Premises upon termination of this Lease by expiration of the Term or operation of the terms hereof, in good and substantial repair and condition as required by this Lease.
- 4.6 **Overholding** If Tenant remains in possession of the Premises following termination of this Lease by expiration of the Term or operation of the terms hereof, with or without objection by Landlord, and without any written agreement otherwise providing, Tenant shall be deemed to be a monthly tenant upon the same terms and conditions as are contained in this Lease except as to the Term, and except as to Basic Rent which shall be equal to one hundred and fifty percent (150%) of the Basic Rent payable in the last year of the Term (including, for greater certainty, any extension or renewal term). This provision shall not authorize Tenant to so overhold where Landlord has objected. If Tenant overholds where Landlord has not objected, Tenant agrees to vacate the Premises within a maximum of thirty (30) days following receipt of a written notice from Landlord requesting surrender of the Premises by Tenant.

#### **PART 5- RENT**

- 5.1 **Basic Rent** Tenant shall pay to Landlord or as Landlord shall direct, Basic Rent in the amount set out in section 1.8, without demand in advance in equal consecutive monthly instalments on the first day of each month commencing on the Commencement Date or such other date as specified in this Lease. Rent is subject to adjustment upon measurement of the actual Rentable Area of the Premises by Landlord in accordance with section 5.8.
- 5.2 **Additional Rent** From and after the Commencement Date, or such other date specified in this Lease, at the times and in the manner provided herein, Tenant shall pay to Landlord or as Landlord shall direct, Additional Rent. Additional Rent shall include, without limitation, all charges for Utilities payable under Part 6 and Tenant's Share of Operating Costs and Realty Taxes payable under Part 7, and all charges for Additional Services.
- 5.3 **Estimated Amounts** On or before the Commencement Date and the commencement of any Fiscal Period during the Term, Landlord shall estimate acting reasonably the Realty Taxes and Operating

Costs and Tenant's Share thereof. Tenant shall pay, upon notification of such estimates, to Landlord in equal monthly instalments in advance on the first day of each month a sum on account of Tenant's Share of Realty Taxes and Operating Costs based on Landlord's estimates. Landlord may from time to time re-estimate the amount of estimated Realty Taxes and Operating Costs for the then current Fiscal Period and re-estimate (but not more than once per year) Tenant's Share thereof for the remainder of the Fiscal Period and Tenant shall change its monthly instalments to conform with the revised estimates.

The charges for Operating Costs and Realty Taxes in the calendar year 2023 shall not exceed \$4.00 per square foot per annum of the Rentable Area of the Premises. Notwithstanding anything contained herein to the contrary, Operating Costs for any calendar year following the calendar year 2023 shall not exceed one hundred five percent (105%), on a cumulative basis, of Operating Costs payable by Tenant for the previous calendar year.

5.4 **Statements and Readjustments** Within six (6) months after the end of each Fiscal Period (or such longer period reasonable in the circumstances), Landlord shall determine the actual Tenant's Share of Realty Taxes and Operating Costs and the difference between such actual determination and the amount already billed to Tenant in instalments. Invoices for the actual determination of Tenant's Share of Operating Costs and Realty Taxes shall be accompanied by a statement of such Operating Costs and Realty Taxes verified to be correct by Landlord (the "**Statement**"). If the aggregate of Tenant's instalments for the Fiscal Period in question was less than the actual determination, then Tenant shall pay the difference to Landlord within thirty (30) days after demand, or if the aggregate of such instalments was more than the actual determination, Landlord shall credit the difference to Tenant's rental account or, if the Term has expired, pay to Tenant the difference less any amounts then owing by Tenant to Landlord within thirty (30) days following delivery of the Statement. Tenant may not claim a re-adjustment in respect of Tenant's Share of Operating Costs or Realty Taxes for a Fiscal Period based upon any error of computation or allocation except by notice delivered to Landlord within twelve (12) months after the date of delivery of Landlord's Statement. So long as Tenant is not in uncured default under this Lease, within twelve (12) months after the date of delivery to Tenant of Landlord's Statement, Tenant, acting reasonably, shall be entitled to request in writing reasonable supporting information relating to: (i) items of material cost in connection with Tenant's Share of Operating Costs; and (ii) Tenant's share of Realty Taxes, and Landlord agrees to provide Tenant with such reasonable supporting information in response to Tenant's request. Notwithstanding any such request by Tenant, Tenant shall continue to pay Rent in accordance with the terms of this Lease.

5.5 **Payment of Rent - General**

- (a) **General** From and after the Commencement Date or such other date(s) specified herein, Tenant covenants to pay the Basic Rent and the Additional Rent without deduction, abatement or set-off in legal tender of Canada (except as otherwise expressly set out in this Lease). All amounts payable by Tenant to Landlord pursuant to this Lease shall be deemed to be Rent and will be payable and recoverable as Rent in the manner herein provided, and Landlord will have all rights against Tenant for default in any such payment as in the case of arrears of Rent. Tenant's obligations to pay Rent will survive the expiration or earlier termination of this Lease.
- (b) **Payment** Rent will be paid to Landlord at the address of Landlord set forth in section 1.1, or to such other person or at such other address as Landlord may from time to time

designate in writing. At Landlord's request, Tenant will make all payments under this Lease by way of electronic funds transfer from Tenant's bank account to Landlord's bank account and both Landlord and Tenant will execute and deliver either concurrently with this Lease or from time to time within five (5) business days following request therefor, such documentation as may be required by either party and its bank in order to effect all payments under this Lease by electronic funds transfer. Rent will be paid to Landlord at the address of Landlord set forth in section 1.1, or to such other person or at such other address as Landlord may from time to time designate in writing. Tenant's obligations to pay rent will survive the expiration or earlier termination of this Lease.

- (c) **No Delay in Payment of Rent** Except as provided in sections 12.1 and 12.2 nothing contained in this Lease shall suspend or delay the payment of any money by Tenant at the time it becomes due and payable. Tenant agrees that Landlord may, at its option, apply any sums received against any amounts due and payable under this Lease in such manner as Landlord sees fit. No payment by Tenant, or receipt by Landlord, of a lesser amount than the Rent due hereunder will be deemed to be other than on account of the earliest stipulated Rent, nor will any endorsement or statement on any cheque or any letter accompanying any cheque, or payment as Rent, be deemed an accord and satisfaction, and Landlord may accept such cheque or payment without prejudice to Landlord's right to recover the balance of such Rent or pursue any other remedy available to Landlord.
- (d) **Interest on Arrears** If any amount of Rent is in arrears it shall bear interest at the Interest Rate from the due date for payment thereof until the same is fully paid and satisfied.
- (e) **Partial Periods** If the Commencement Date is any day other than the first day of a calendar month, or if the Term ends on a day other than the last day of a calendar month, then Basic Rent and Additional Rent, as the case may be, will be adjusted for the months affected, pro rata, based on a 365 day year.

- 5.6 **Deposit** Tenant shall pay to Landlord the Deposit in the amount specified in section 1.10 to be held by Landlord as security for Tenant's performance of its covenants under this Lease. No interest shall accrue or be payable to Tenant in respect of the Deposit. If Tenant shall be in default of any such covenant beyond the expiry of any applicable notice and cure period provided for herein, Landlord may appropriate and apply such portion of the Deposit as Landlord considers necessary to compensate it for rent outstanding or loss or damage suffered by Landlord arising out of or in connection with such default, without prejudice to any other right or remedy available to Landlord. When requested by Landlord following any such appropriation Tenant shall pay to Landlord an amount sufficient to restore the original amount of the Deposit. Tenant shall not assign or encumber its interest in the Deposit, and Landlord shall not be bound by any attempted assignment or encumbrance of the Deposit, except in the case of any permitted Transfer of the Lease, in which case Tenant's interest in the Deposit shall be deemed to have been assigned to such permitted transferee as of the date of such Transfer. So much of the Deposit which remains unappropriated by Landlord in accordance with this section 5.6 shall be returned to Tenant within thirty (30) days after expiry of the Term so long as Tenant has surrendered the Premises in accordance with all requirements of this Lease. In the event of any bankruptcy, insolvency, winding-up or other creditors' proceeding, the Deposit shall be the absolute property of Landlord and shall, at Landlord's option, be automatically appropriated and applied against the Rent and any other amounts payable under this Lease. The rights of Landlord hereunder in respect of the Deposit shall continue in full force and effect and shall not be waived, released, discharged, impaired or

affected by reason of the release or discharge of Tenant in any receivership, bankruptcy, insolvency, winding up or other creditor's proceedings, including, without limitation, any proceedings under the *Bankruptcy and Insolvency Act* (Canada) or the *Companies Creditors Arrangement Act* (Canada), or the surrender, disclaimer, repudiation or termination of this Lease (individually and collectively referred to herein as "**Disclaimed**") in any such proceedings and shall continue with respect to the periods thereto and thereafter as if this Lease had not been Disclaimed.

- 5.7 **Prepaid Rent** Intentionally Deleted.
- 5.8 **Measurement of Premises** Rent is subject to adjustment upon measurement of the actual Rentable Area of the Premises by Landlord. The Rentable Area of the Premises and other leaseable premises in the Project shall be calculated by the Architect in accordance with the current Standard Methods for Measuring Floor Area in Industrial Buildings, BOMA/SIOR, Drip Line Methodology (Method B). No deduction shall be made for vestibules inside the permanent exterior building walls or inside the pre-determined lease line, or for any columns located wholly or partially within the leaseable space. If there are any interior Common Areas within the Building, the Rentable Area of the Premises will be deemed to be increased in the same proportion that the area of the Common Areas within the Building bears to the Total Rentable Area of the Building. If, as the result of a certification or re-certification by the Architect of the Rentable Area of the Premises, there is to be a proportionate adjustment of Rent and of other Tenant charges which are based upon the Rentable Area of the Premises, such adjustment shall be made and become effective on: (a) the Commencement Date if certified in the first year of the Term; and (b) the first day of the month following the date of the certification or re-certification by the Architect if certified or re-certified after the end of the first year of the Term. The initial measurement of the Rentable Area of the Premises shall be completed no later than sixty (60) days after the Commencement Date and thereafter Landlord shall not be entitled to re-measure the Rentable Area of the Premises for the purposes of the calculation of Rent, unless the physical boundaries of the Premises are enlarged or reduced. If Tenant shall require a certification or re-certification by the Architect of the Rentable Area of the Premises at any time prior to or during the Term, Tenant will pay the cost of same.

## PART 6 - UTILITIES

- 6.1 **Suppliers** Landlord shall be entitled to make such arrangements for the supply of electricity and other Utilities to the Project and the Premises as Landlord determines, and Tenant agrees to use such suppliers to the Project. Landlord may from time to time negotiate modifications and revisions to such arrangements and enter into new arrangements. Landlord shall be entitled from time to time to require that any electricity and other Utilities be provided only by such suppliers, distributors or retailers who have been designated and approved by Landlord from time to time. Tenant shall not be permitted to make arrangements for the supply of electricity and other Utilities to the Premises directly from any supplier, retailer or distributor unless such arrangements have received Landlord's prior written approval, such approval not to be unreasonably withheld unless Tenant's arrangements are inconsistent with Landlord's then current or planned arrangements. For greater certainty, as of the date of this Lease, a water connection to the Premises from the City of Hamilton is existing and a separate meter to record water consumption shall be provided by Landlord at Tenant's sole cost and expense. Direct connections to the Premises for hydro-electricity, natural gas and information technology service shall be Landlord's responsibility at Tenant's sole cost and expense. Until electricity, gas and information technology services are connected directly to the Premises, these services shall be temporarily provided to the Premises through the neighbouring

tenant known as Stelco. Stelco will bill the Landlord for these services and the associated costs shall be re-imbursed by Tenant.

- 6.2 **Payment to Suppliers** Tenant shall pay promptly to the applicable approved supplier, retailer or distributor when due all charges which are billed directly to Tenant related to or associated with the production, generation, transmission, delivery, supply and servicing of Utilities used or consumed in the Premises. Subject to the provisions of section 6.3 below and if so required by Landlord, acting reasonably, separate meters for any such Utilities shall be installed in or for the Premises at Tenant's expense. For greater certainty, as of the date of this Lease, a water connection to the Premises from the City of Hamilton is existing and a separate meter to record water consumption shall be provided by Landlord at Tenant's sole cost and expense. Direct connections to the Premises for hydro-electricity, natural gas and information technology service shall be Landlord's responsibility at Tenant's sole cost and expense. Until electricity, gas and information technology services are connected directly to the Premises, these services shall be temporarily provided to the Premises through the neighbouring tenant known as Stelco. Stelco will bill the Landlord for these services and the associated costs shall be re-imbursed by Tenant.
- 6.3 **Utilities Supplied by Landlord** Tenant shall pay to Landlord, without duplication, monthly in advance, all costs and expenses incurred by Landlord related to or associated with the production, generation, transmission, delivery, supply and servicing of Utilities to the Premises including, without limitation, all demand and consumption charges and surcharges and all costs and charges related to administration, debt, servicing and metering, to the extent not invoiced directly to Tenant by a third party supplier, retailer or distributor or included in Operating Costs, plus any costs incurred for consultants and brokers retained in connection with procurement of Utilities for the Premises, and fifteen percent (15%) of all such costs to cover Landlord's cost of administration. The determination of Utilities cost shall reflect Landlord's reasonable estimates for the quantities and types of Utilities supplied multiplied by the average unit costs to Landlord for each of such types of Utilities. If Landlord shall from time to time reasonably determine that the use of electricity or any other Utility or service in the Premises is disproportionate to the use of other tenants (if any) in the Building or the Project, Landlord may adjust Tenant's share of the cost thereof from a date reasonably determined by Landlord to take equitable account of the disproportionate use and may separately charge Tenant for such excess cost. Notwithstanding that Tenant is responsible, at its sole cost, for the supply and installation of all Utility connections (as set out in paragraph 2 of Schedule 8), all Utility accounts shall be in the name of Landlord and Tenant shall pay for all Utilities in accordance with the provisions of this section 6.3 until otherwise directed by Landlord. For greater certainty, as of the date of this Lease, a water connection to the Premises from the City of Hamilton is existing and a separate meter to record water consumption shall be provided by Landlord at Tenant's sole cost and expense. Direct connections to the Premises for hydro-electricity, natural gas and information technology service shall be Landlord's responsibility at Tenant's sole cost and expense. Until electricity, gas and information technology services are connected directly to the Premises, these services shall be temporarily provided to the Premises through the neighbouring tenant known as Stelco. Stelco will bill the Landlord for these services and the associated costs shall be re-imbursed by Tenant. Notwithstanding the foregoing, Landlord hereby acknowledges and agrees that Tenant may, at its own expense, utilize an information technology services provider of its choice.
- 6.4 **No Overloading** Tenant shall not overload any Utilities, any service, or the roof, floor or other structural components of the Building.

6.5 **Reporting of Energy Consumption and Water Use** Upon written request by Landlord (but not more than twice in each calendar year during the Term and any exercised extension term(s), unless further required by any Authority), where Tenant is purchasing Utilities directly from a supplier in accordance with this Lease, Tenant shall submit to Landlord copies of original invoices showing Tenant's water, natural gas and electricity consumption in the Premises during the immediately prior calendar year.

#### **PART 7- OPERATING COSTS AND TAXES**

7.1 **Operating Costs Payable by Tenant** Tenant shall pay to Landlord, at the times and in the manner provided in section 5.3, Tenant's Share of Operating Costs, determined in accordance with Schedule 5.

7.2 **Realty Taxes Payable by Tenant** To the extent that Realty Taxes are levied or imposed directly against Tenant or the Premises, Tenant shall pay, and provide evidence to Landlord of such payment, before delinquency such Realty Taxes. Landlord shall pay all other Realty Taxes (and Tenant acknowledges that there may be more than one of such Realty Taxes assessed, charged or imposed upon or in respect of the Project) in the first instance and Tenant shall pay to Landlord in each Fiscal Period Tenant's Share of Realty Taxes, provided that Landlord may adjust from time to time Tenant's Share of Realty Taxes, acting reasonably, as follows:

- (a) Tenant's Share of Realty Taxes shall be adjusted to include any increase or incremental amount of Realty Taxes or other taxes which Landlord, acting reasonably, has determined to be solely attributable to the conduct of Tenant's business or particular use of the Premises or any of the Common Areas by Tenant, or to any act by Tenant (including, without limitation, declaring itself a separate school supporter), or attributable to the Leasehold Improvements, Trade Fixtures and Tenant Property;
- (b) Landlord shall be entitled to allocate Realty Taxes among categories of premises in the Project on the basis of such factors as Landlord determines, acting reasonably and equitably, to be relevant and to adjust Tenant's Share of Realty Taxes based on such allocation; and
- (c) if there are separate Realty Tax bills or assessments (or, in lieu of separate assessments, calculations made by authorities having jurisdiction from which separate assessments may, in Landlord's opinion be readily determined) for any leaseable premises in the Project (including the Premises), Landlord may adjust Tenant's Share of Realty Taxes having regard thereto.

Nothing herein shall compel or require Landlord to adjust, continue to adjust or to make the same determination or allocation of Tenant's Share of Realty Taxes from year to year or in any Fiscal Period. For the purposes of determining Tenant's Share of Realty Taxes payable by Tenant pursuant to this Lease, Realty Taxes shall include such additional amounts as would have formed part of Realty Taxes had the Project been fully assessed during the whole of the relevant Fiscal Period as fully completed and occupied by tenants, with no special exemptions or reductions, and without taking into account any actual or potential reduction of Realty Taxes or change of assessment category or class for premises within the Project which are vacant or underutilized, provided that the foregoing shall not result in Tenant's Share being greater than it would be if the Project was fully completed and occupied.

- 7.3 **Contesting Taxes** Landlord and Tenant will each have the right to contest in good faith the validity or amount of any tax which it is responsible to pay under this Part 7, provided that in the case of Tenant: (a) no contest by Tenant may be initiated without Tenant first obtaining Landlord's written consent of such contest (such consent not to be unreasonably withheld or delayed) and having provided Landlord with copies of all assessment notices, tax bills and other documents received by Tenant relating to Realty Taxes; (b) no contest by Tenant may involve the possibility of forfeiture, sale or disturbance of Landlord's interest in the Premises; (c) if required by Landlord, Tenant will deliver to Landlord prior to such contest security in such amount as Landlord considers necessary; (d) in the case of Realty Taxes, the contest shall be limited to the assessment of the Premises alone and shall not include, directly or indirectly, any other part of the Project; and (e) upon final determination of such contest, if Tenant has not already done so, Tenant will immediately pay and satisfy the amount found to be due, together with any costs, penalties and interest. Tenant will not have the right in the event of any such contest to withhold payment to Landlord of the amounts which are the subject of the contest if such amounts are otherwise payable to Landlord and Landlord remains liable for payment of such amount to the Authority notwithstanding such contest. Tenant will fully indemnify Landlord for all costs and expenses (including legal fees and disbursements) incurred by Landlord as a result of any such contest by Tenant.
- 7.4 **Business and Other Taxes Payable by Tenant** Tenant shall pay before delinquency all Business Taxes, and any other taxes, charges, rates, duties and assessments levied, rated, imposed, charged or assessed against or in respect of any use, occupancy or conduct of business at the Premises or in respect of the Leasehold Improvements, Trade Fixtures, Tenant Property, or the business or income of Tenant on or from the Premises or rent payable under this Lease.
- 7.5 **Alternate Methods of Taxation** If during the Term the method of taxation shall be altered so that the whole or any part of the Realty Taxes now levied on real estate and improvements are levied wholly or partially as a capital levy or on the rents received or reserved or otherwise, or if any new or other tax, assessment, levy, imposition or charge in lieu thereof, shall be imposed upon Landlord, related in any way to the Project, or the income therefrom, then all such taxes, assessments, levies, impositions and charges shall be included when determining Realty Taxes. If during the Term the method of taxation shall be altered so that the whole or any part of the Business Taxes payable in respect of any use or occupancy of the Premises which are currently included in Realty Taxes are separately assessed, and become separately payable, Tenant shall pay and be liable to pay same as Additional Rent and Landlord shall have the right to allocate and collect such Business Taxes (as would have formerly been included in Realty Taxes) from Tenant in the manner or on the same basis as would have been employed by the Authority previously levying same.
- 7.6 **Rental Taxes** In addition to Rent, Tenant will pay to Landlord Rental Taxes calculated by Landlord in accordance with applicable legislation, which amounts shall be paid by Tenant at the same time as the amounts to which Rental Taxes apply are payable under the terms of this Lease. Rental Taxes will not be considered to be Rent, but Landlord shall have all of the same remedies and rights of recovery with respect to Rental Taxes as it has for non-payment of Rent.

#### **PART 8 - MAINTENANCE, REPAIRS AND ALTERATIONS**

- 8.1 **Responsibility of Tenant** Without notice or demand from Landlord and except to the extent that Landlord is specifically responsible therefor under this Lease or elects from time to time by written notice to Tenant to carry out any such maintenance repairs and alterations as an Additional Service at Tenant's cost or, at Landlord's sole discretion, as part of Operating Costs, Tenant will maintain

and keep in a good state of repair the Premises, the Leasehold Improvements, the HVAC Facilities exclusively serving the Premises (if any), the heaters and free standing air conditioning units (if any) exclusively serving the Premises, and the Trade Fixtures in good order and condition all as a careful tenant would do, reasonable wear and tear excepted (provided such reasonable wear and tear does not lead to a state of disrepair), including without limitation:

- (a) intentionally deleted;
- (b) making repairs, replacements and alterations as needed, including those necessary to comply with the requirements of any Authority;
- (c) keeping the Premises and the exterior area immediately surrounding the Premises in a clean and tidy condition, and not permitting Tenant's wastepaper, garbage, ashes, waste or objectionable material to accumulate thereon or in or about the Building, other than in areas and in a manner designated by Landlord;
- (d) repairing all damage in the Premises resulting from any misuse, excessive use or installation, alteration, or removal of Leasehold Improvements, HVAC Facilities (if any), heaters, free standing air conditioning units (if any), Trade Fixtures and/or Tenant Property by Tenant and those for whom Tenant is in law responsible; and
- (e) making repairs, replacements and alterations as needed, to the systems and equipment installed by or on behalf of Tenant for the supply and distribution of Utilities.

Tenant will promptly notify Landlord of any damage to or defect in any part of the Premises or in any equipment or Utilities serving the Premises of which Tenant becomes aware notwithstanding that Landlord may have no obligation with regard thereto. For greater certainty and without limitation, Tenant is to notify Landlord promptly of any water damage or leaks of which Tenant becomes aware. If Landlord elects to carry out any such maintenance, repairs and for alterations then subsection 8.4(f) shall apply thereto unless Landlord elects, in its sole discretion from time to time, to include the costs thereof as part of Operating Costs.

## 8.2 ***Responsibility of Landlord***

- (a) Landlord shall maintain and keep in a good state of repair having regard to the size, age, type and location of the Project:
  - (i) the Building's structure, roof, and permanent building walls (except for interior faces facing into the Premises);
  - (ii) systems and equipment installed by Landlord for the supply and distribution of Utilities;
  - (iii) the Common Areas;
  - (iv) the HVAC Facilities serving the Building (if any), excluding the HVAC Facilities exclusively serving the Premises (if any) or exclusively serving other premises in the Building; and

- (v) damage from causes against which Landlord has agreed to insure as primary insurer.
- (b) The following provisions apply to and may limit Landlord's obligations under subsection 8.2(a):
  - (i) if all or part of such systems, facilities and equipment are destroyed, damaged or impaired, Landlord will have a reasonable time in which to complete the necessary repair or replacement, and during that time will be required only to maintain such services as are reasonably possible in the circumstances;
  - (ii) no reduction or discontinuance of Landlord services will be construed as an eviction of Tenant or release Tenant from any obligation of Tenant under this Lease;
  - (iii) nothing contained in subsection 8.2(a) will derogate from the provisions of Part 12 or from Landlord's right to include in Operating Costs (in accordance with the definition thereof in Schedule 5 of this Lease) the cost of complying with this Part 8

Landlord will carry out its obligations under this section 8.2 with reasonable commercial diligence and will use reasonable commercial efforts to minimize interference with Tenant's business operations in and from the Premises, including, without limitation, where practical, but excluding the case of any real or perceived emergency, by coordinating with Tenant any work which may disrupt Tenant's business operations from the Premises in order to minimize such disruption on a commercially reasonable basis.

### 8.3 ***Inspection, Notice and Entry***

- (a) ***Inspection*** Tenant will permit Landlord and its authorized agents, employees, consultants and contractors to enter upon the Premises at any time or times upon one (1) business day's prior written notice (except in a real or perceived emergency, in which event, no notice will be required) to examine, measure and inspect the Premises, to inspect Tenant's maintenance, repairs and alterations to the Premises, to show the Premises to prospective Mortgagees or Purchasers, to show the Premises to prospective tenants (in the last nine (9) months of the Term, as same may be extended or renewed), to provide janitorial (if applicable) and maintenance services, and to make all repairs, alterations, changes, adjustments, improvements, installations or additions to the Premises or the Building, including the Building systems and facilities, that Landlord considers necessary or desirable, whether for the direct benefit of the Premises or where necessary to serve another part of the Building or the Project, including those matters which are Tenant's responsibilities pursuant to section 8.1 hereof. For the purposes of this section 8.3, Landlord may take materials into the Premises as required therefor and may have access to the Building systems and facilities. Tenant will not obstruct pipes, conduits, ducts or shafts or other parts of the Building systems so as to prevent access to them by Landlord. Landlord in exercising its rights under this section will make commercially reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises including, without limitation, where practical, but excluding the case of any real or perceived emergency, by coordinating with Tenant any work or inspections which may disrupt

Tenant's business operations from the Premises to minimize disruption on a commercially reasonable basis. No entry made or work undertaken by or on behalf of Landlord upon the Premises pursuant to this section is a re-entry or a breach of Landlord's covenant for quiet enjoyment.

Except in the case of emergency, at Tenant's request, Landlord shall be accompanied by a representative of Tenant during any entry to the Premises, provided, however that so long as Landlord has provided Tenant with prior written notice (as hereinafter set out in this section 8.3(a)), Landlord shall not be prohibited from accessing the Premises if there is no personnel of Tenant present to accompany Landlord and/or its representatives.

- (b) **Entry** If Tenant is not present to open and permit any entry into the Premises when for any reason an entry shall be permitted hereunder following Tenant's receipt of Landlord's prior notice of such required entry or necessary in the case of a real or perceived emergency, Landlord or its agents may, using reasonable force, enter the same without rendering Landlord or such agents liable therefor, and without affecting the obligations and covenants of Tenant under this Lease. Notwithstanding the foregoing, Landlord shall repair any damage caused to the Premises by the exercise of its rights under this section 8.3, unless such damage is covered by the insurance required to be maintained by Tenant pursuant to this Lease.
- (c) **Limitation** Notwithstanding anything to the contrary, Landlord shall not be required to inspect the Premises, give notice to Tenant or carry out remedies on Tenant's behalf, nor is Landlord under any obligation for the care, maintenance or repair of the Premises, except as specifically provided in this Lease, and Tenant shall not be entitled to any abatement or reduction of Rent as a result of, nor shall Landlord be liable for any loss, expense or damage arising from or relating to, any inspection, entry or work described in this section 8.3, except as otherwise specifically provided in this Lease.
- (d) **Performance of Tenant's Responsibilities by Landlord** Landlord may give notice to Tenant requiring it to perform in accordance with section 8.1 hereof, and Tenant shall, to the extent of Tenant's obligations herein, rectify any failure to perform within the time period set out in section 15.1 hereof. Should Tenant fail to remedy within the allotted time, or if by reason of the nature thereof the remedy cannot with due diligence be wholly completed within the allotted time, Tenant has failed to commence the remedy and thereafter to diligently continue such remedy to conclusion, Landlord may carry out such remedy without further notice to Tenant, and charge Tenant for such remedy as if it were an Additional Service requested by Tenant.

#### 8.4 **Tenant Improvements and Alterations**

- (a) **Landlord's Criteria** All Tenant's work from time to time, whether as part of Tenant's Work provided for in Schedule 8, if applicable, or otherwise, and including the installation of all Leasehold Improvements and Trade Fixtures and the carrying out of all Alterations shall:
  - (i) be subject to Landlord's prior written approval, which approval shall not be unreasonably withheld, conditioned or delayed, provided, however, that it shall be reasonable for Landlord to withhold or condition its approval where the work or

Alterations may affect a structural part of the Building or may affect the mechanical, electrical, HVAC or other basic systems of the Building or the capacities thereof;

- (ii) be performed in a good and workmanlike manner, at the sole risk and expense of Tenant, and in accordance with drawings and specifications approved by Landlord and Landlord's design criteria for the Building;
- (iii) be performed in compliance with the applicable requirements of all Authorities, evidence of which shall be provided to Landlord;
- (iv) be subject to the supervision and direction of Landlord or its employees, agents, manager or contractors during construction (Tenant hereby acknowledging that such supervision will be for the benefit of Landlord only and that Landlord will not be responsible in any way whatsoever for the quality, design, construction or installation of any such work). Landlord's supervision of the initial Tenant's Work shall be at no additional cost to Tenant. In respect of any subsequent Tenant's work and/or Alterations, Tenant shall pay Landlord a supervision fee in the amount specified below in section 8.4(d) of this Lease;
- (v) equal or exceed the then current standard for the Project; and
- (vi) subject to subsection 8.4(f), be carried out only by competent workers selected by Tenant and approved in writing by Landlord (it will be reasonable for Landlord to consider, among other factors, labour union compatibility on the Project, if applicable), who will, if required by Landlord, deliver to Landlord before commencement of the work performance and payment bonds as well as proof of insurance coverage as required herein.

Notwithstanding the foregoing provisions of this section 8.4, Tenant shall not require the prior consent or approval of Landlord (but shall be required to give reasonable prior written notice to Landlord) in respect of Alterations which meet all of the following criteria: (i) such Alterations are cosmetic and non-invasive in nature and are to the interior of the Premises and do not affect the floor slab; (ii) the cost for such Alterations does not exceed One Hundred Thousand Dollars (\$100,000.00) in the aggregate at any one time; (iii) such Alterations do not affect the floor slab, the structure of the Building, any electrical, mechanical or other base building systems, roof or the exterior of the Building (other than a simple plug in of equipment into existing electrical outlets); and (iv) such Alterations do not require a building permit. The Alterations described in the immediately preceding sentence are hereinafter referred to as "**Permitted Alterations**". Landlord shall receive no fee or profit, administration fee or supervisory fee in respect of the Permitted Alterations, but will be permitted to recover from Tenant actual out-of-pocket costs incurred by Landlord in connection with the Permitted Alterations, if any. Landlord acknowledges and agrees that Tenant shall have the right to self-manage the Permitted Alterations, or hire a third party of Tenant's choosing to do so.

- (b) **Plans and Specifications** Tenant shall submit to Landlord details of any proposed Tenant's work, including Leasehold Improvements and Alterations, which details shall include complete working drawings and specifications prepared by qualified designers and conforming to good engineering practice. Tenant shall reimburse Landlord for the

reasonable out-of-pocket cost of technical evaluation of Tenant's plans and specifications and shall revise such plans and specifications as Landlord deems necessary, acting reasonably. Tenant shall be solely responsible for the adequacy and sufficiency of Tenant's plans and specifications and Landlord shall have no liability of any kind arising from Landlord's review or approval of such plans and specifications nor shall Landlord's review and approval constitute an acknowledgement or indication of any kind as to the adequacy or sufficiency of Tenant's plans and specifications.

- (c) **Insurance** Tenant and its contractors shall be required to maintain at their cost, throughout the period of Tenant's work, on terms and conditions satisfactory to Landlord acting reasonably, the following insurance:
  - (i) commercial general liability insurance with respect to the construction in an amount of not less than five million dollars (\$5,000,000.00) for any one occurrence or claim or such higher limit as Landlord or the Mortgagee may require from time to time; and
  - (ii) builders risk insurance covering all work against all risks of physical loss or damage.
- (d) **Supervisory Fees** If Tenant or its contractors perform Tenant's work (including Leasehold Improvements and Alterations), Tenant shall pay to Landlord a fee for coordination and supervision services equal to Five Thousand Dollars (\$5,000.00) and shall, in addition to such fee, reimburse Landlord for any and all out-of-pocket costs incurred by the Landlord in connection with such coordination and supervision services, unless otherwise specifically provided for in Schedule 8 or otherwise agreed to in writing by the parties hereto.
- (e) **Debris** During construction and installation of Leasehold Improvements and Alterations, Tenant shall keep the Premises and the Building clean of any related debris.
- (f) **Landlord's Work at Tenant's Expense** Tenant shall pay to Landlord the cost of any services provided by Landlord and relating to Tenant's work, Leasehold Improvements and Alterations including, without limitation, the cost of any necessary cutting or patching or repairing of any damage to the Building or the Premises, any cost to Landlord of removing refuse, cleaning, hoisting of materials, and any other costs of Landlord which can be reasonably allocated as a direct expense relating to the conduct of such work. If a request is made by Tenant with respect to approval of any Tenant's work, including any Leasehold Improvements and Alterations, which may affect the structure or the mechanical, electrical, HVAC or other basic systems of the Building or the capacities thereof, which request is approved by Landlord, Landlord may require that such work be designed, at Tenant's cost, by consultants designated by Landlord and/or that it be performed by Landlord or its contractors. If Landlord or its contractors perform any such services or work, it shall be at Tenant's expense in an amount equal to Landlord's total cost of such service or work (based on competitive and market rates), which shall be reasonable having regard to Landlord's standards for the Building, plus fifteen percent (15%) of such amount, payable following completion upon demand. Tenant will, if required by Landlord, acting reasonably, deliver to Landlord prior to commencement by Landlord of any such work security

satisfactory to Landlord, acting reasonably, in an amount equal to Landlord's reasonable estimate of the cost of performing such work.

- (g) **Restrictions** No Leasehold Improvements or Alterations by or on behalf of Tenant shall be permitted which may adversely affect the condition or operation of the Building or any of its systems or diminish the value thereof or restrict or reduce Landlord's coverage for municipal zoning purposes.
- (h) **Unauthorized Installations** Any Leasehold Improvements or Alterations made by Tenant without the prior written consent of Landlord or which are not in accordance with the drawings and specifications approved by Landlord shall, if requested by Landlord, be promptly removed by Tenant at Tenant's expense, and the Premises shall be restored to their previous condition.
- (i) **Liens** Tenant shall promptly pay all its contractors and suppliers and shall do all things necessary to prevent a lien attaching to the Lands or Building and should any such lien be made, filed or attach Tenant shall discharge or vacate such lien within seven (7) business days of receiving notice thereof. If Tenant shall fail to discharge or vacate any lien, then in addition to any other right or remedy of Landlord, Landlord may discharge or vacate the lien by paying into Court the amount required to be paid to obtain a discharge, and the amount so paid by Landlord together with all costs and expenses including solicitor's fees (on a solicitor and his client basis) incurred in connection therewith shall be due and payable by Tenant to Landlord on demand together with interest at the Interest Rate, calculated from the date of payment by Landlord until all of such amounts have been paid by Tenant to Landlord.
- (j) **Realty Tax/Insurance Increases** Any increase in Realty Taxes or fire or casualty insurance premiums for the Project directly attributable to Tenant's Leasehold Improvements or Alterations will be borne by Tenant and Tenant will pay Landlord for the cost of such increase within thirty (30) days of receipt of Landlord's invoice.

8.5 **External Changes** Tenant agrees that it shall not erect, affix or attach to any roof, exterior walls or surfaces of the Building or any part of the Project any antennae, sign, attachment or fixture of any kind (except as may otherwise be specifically permitted under Schedule 8, if applicable), nor shall it make any opening in or alteration to the roof, walls, or structure of the Premises or the Building, or install in the Premises or **Building free standing air-conditioning units** (except for the free standing air conditioning units) which Landlord has consented to as of the date of this Lease and which is/are located within the area shown on Schedule 8-1 of this Lease), without the prior written consent of Landlord which may be arbitrarily withheld.

8.6 **Removal of Trade Fixtures and Tenant Property** At the end of the Term, if not then in uncured default after written notice from Landlord, Tenant may remove its Trade Fixtures and Tenant Property, and shall, in the case of every installation or removal of Trade Fixtures and Tenant Property, make good any damage caused to the Premises or the Building by such installation or removal. Any Trade Fixtures removed during the Term will be contemporaneously replaced with Trade Fixtures of equal or better quality unless such Trade Fixtures have become excess to Tenant's business. During the Term, Tenant may, if not then in uncured default after written notice from Landlord, remove Tenant Property which is obsolete or as part of Tenant's ordinary course of business. Any Trade Fixtures and Tenant Property belonging to Tenant, if not removed at the

termination or expiry of this Lease, shall, if Landlord so elects, be deemed abandoned and become the property of Landlord without compensation to Tenant. If Landlord shall not so elect, Landlord may remove such Trade Fixtures and Tenant Property from the Premises and store them at Tenant's risk and expense and Tenant shall save Landlord harmless from all damage to the Premises and the Building caused by such removal, whether by Tenant or by Landlord.

- 8.7 **Removal of Leasehold Improvements and Restoration** The Leasehold Improvements shall immediately upon installation become the property of Landlord without compensation to Tenant. At the expiration of the Term or earlier termination of this Lease, Tenant shall not be required to remove from the Premises any Leasehold Improvements. Notwithstanding the foregoing, any Leasehold Improvements installed or Alterations made by or on behalf of Tenant which are installed or made without the prior written consent of Landlord (where Landlord's consent is required in accordance with the terms of this Lease) or which are not installed or made in accordance with the drawings and specifications approved by Landlord shall, if requested by Landlord, be promptly removed or restored, as the case may be, by Tenant at Tenant's expense and Tenant shall at its cost complete the reconstruction necessary to reinstate the Premises original structure in the event structural changes were undertaken by Tenant. Landlord reserves the right to require any non-standard Alterations or Leasehold Improvements (including but not limited to any specialized technological equipment, non-standard heating, ventilating and air-conditioning systems installed for the specific use of the Premises, non-standard electrical installations and Tenant's specialized equipment) to be removed or restored, as the case may be, by Tenant at Tenant's expense and Tenant shall repair any damage caused by such removal, all as required under this Lease. The determination of non-standard shall be detailed in writing by Landlord to Tenant when or before Landlord grants written consent to the same and agreed upon by Tenant prior to installation. Notwithstanding anything to the contrary contained in this Lease, Landlord and Tenant agree that any heaters and/or cooling towers installed by or on behalf of Tenant shall remain at the Premises and shall not be removed by Tenant at the expiration of the Term or earlier termination of this Lease. For greater certainty, Tenant shall be permitted to remove from the Premises all of its proprietary technology and in such event shall repair any damage caused to the Premises and/or the Building by the installation or removal of same.

## PART 9 - ENVIRONMENTAL PROVISIONS

- 9.1 **Compliance** Tenant covenants:

- (a) prior to taking possession of the Premises and thereafter from time to time (but not more than twice in any calendar year) within fifteen (15) days of request by Landlord, to complete and sign the Environmental Questionnaire, which shall be certified by a senior officer of Tenant as complete and accurate responses and which are hereby deemed to be representations and warranties of Tenant upon which Landlord is relying;
- (b) to use and occupy the Premises so as not to contravene any present or future Environmental Law, and obtain and comply with the terms of all licenses, certificates of approval, permits and other approvals necessary or appropriate under applicable Environmental Law for the safe and lawful conduct of its business at or from the Premises;
- (c) not to cause or allow any Contaminant to be used, generated, stored, or disposed of on, under or about, or transported to or from any part of the Project including without limitation the Premises, (collectively the "**Contaminant Activities**") unless previously disclosed to

Landlord in the Environmental Questionnaire or otherwise consented to in writing by Landlord, and then only in strict compliance, at Tenant's expense, with applicable Environmental Law, using all necessary and appropriate precautions which a cautious and prudent operator would exercise. Tenant advises Landlord that the Initial Use to be conducted by Tenant in the Premises includes, in the normal course, the transportation, storage, handling, disposal or transfer of Contaminants in and around the Premises, and shall be subject to Tenant's strict compliance with the terms of this Lease. Tenant covenants and agrees that any Contaminants transported, stored, handled, disposed of or transferred shall be in strict compliance with Environmental Law;

- (d) not to permit any Discharge except to the extent consented to by Landlord in writing and in accordance with Environmental Law, and to give immediate notice to Landlord of any Discharge or of any other occurrence which might give rise to a duty in Tenant or Landlord or both under Environmental Law;
- (e) to comply with any investigative, remedial or precautionary measures required under Environmental Law arising from or attributable to any act or omission of Tenant or those for whom Tenant is in law responsible;
- (f) notwithstanding anything to the contrary in this Lease, to protect, defend, indemnify and save Landlord, Manager and their respective directors, officers, employees, agents, successors and assigns completely harmless from and against all costs, losses, damages and expenses incurred relating to any Contaminant Activities or Environmental Claim or both, directly or indirectly incurred, sustained or suffered by or asserted against all or any one of them, including without limiting the generality of the foregoing, the cost of satisfying any order, carrying out remedial or precautionary measures, or cleaning up any Discharge, to the extent caused by or attributable to, either directly or indirectly, any act or omission of Tenant and/or any person for whom Tenant is in law responsible and Tenant covenants and agrees to pay to Landlord an administrative fee equal to fifteen percent (15%) of all such amounts.

## 9.2 ***Waste Disposal***

- (a) Tenant shall be responsible for proper disposal of all Contaminants and other materials which require special disposal measures pursuant to Applicable Law, including Environmental Law, including oil, kitchen waste and grease. Tenant will store and dispose of all of its waste in a lawful manner. In particular, Tenant will use the garbage collection service provided by Landlord only to dispose of solid waste (which is not Hazardous Waste) which can lawfully be transported to, and dumped at, a landfill site without requiring payment of surcharges or penalties, and will use the sewers only to dispose of liquid waste (which is not Hazardous Waste) which may be lawfully discharged into the municipal sewer. All other wastes will be disposed of by Tenant, at its expense, at least once every month, using a properly licensed waste hauler. Regardless of whether the waste hauler is retained by Landlord or Tenant, Tenant, and not Landlord, shall be deemed to be the generator of Tenant's waste and all costs shall be Tenant's responsibility.
- (b) Where Landlord provides separate waste collection facilities for different types of waste, Tenant will separate its waste and will deliver each waste to the appropriate facility. Tenant will comply with any waste reduction workplan prepared by Landlord from time to time (if

any), at Tenant's cost. Tenant will comply with all reasonable requirements imposed by Landlord with respect to the implementation of a system for the storage, disposal, and separation of waste at the Building and the Project as contemplated by this Part 9.

- 9.3 ***Ownership of Contaminants*** If Tenant shall bring or create upon the Premises or the Project any Contaminant or if the conduct of Tenant's business shall cause there to be any Contaminant upon the Project or the Premises, then, notwithstanding any rule of law to the contrary, such Contaminant shall be and remain the sole and exclusive property of Tenant and shall not become the property of Landlord notwithstanding the degree of affixation of the Contaminant to the Premises or the Project and notwithstanding the expiry or earlier termination of this Lease. Prior to or as soon as reasonably possible after the Commencement Date, Landlord shall provide Tenant with a Baseline Report (Landlord hereby agreeing to use commercially reasonable efforts to provide the Baseline report within one hundred and eighty (180) days of the Commencement Date) and the Baseline Report shall be the relevant base line in determining whether or not any Contaminant has been brought onto, used at, released from, or incorporated in any part of the Premises or the Project by Tenant or those for whom the Tenant is in law responsible. Notwithstanding the foregoing or anything else to the contrary in this Lease, it is understood and agreed that Tenant shall only be responsible for Contaminants which are not identified in the Baseline Report and which were caused or contributed to by Tenant or those for whom the Tenant is in law responsible. The cost of the Baseline Report shall be borne equally by the parties, provided, however, that if such cost exceeds Thirty Thousand Dollars, plus Rental Taxes, Tenant's share of the cost of the Baseline Report shall not exceed Fifteen Thousand Dollars (\$15,000.00), plus Rental Taxes.
- 9.4 ***Pesticides*** Tenant will not use pesticides in the Premises or the Project unless Tenant has first obtained written consent from Landlord to do so and all necessary permits under applicable Environmental Law.
- 9.5 ***Operations and Maintenance*** Tenant will design, install, operate, repair, replace and maintain, all equipment and property in the Premises, and will train all of its staff, in order to comply with Environmental Law and so as to minimize the risk of spills and other accidents, particularly those which might result in a Discharge. If due to Tenant's acts or omissions or use of the Premises, improvements to the Premises or the Project are necessary to comply with Environmental Law or with the requirements of any insurance carriers, Tenant will pay the entire cost thereof. Tenant will conduct regular preventative maintenance of all pollution control equipment, and will keep it in good working order at all times.
- 9.6 ***Orders and Offences***
- (a) Tenant will fully comply with all orders of an Authority which may be directed to Landlord or Tenant and which relate to Tenant's use and/or occupation of the Premises or the Project in relation to Tenant or those for whom Tenant is in law responsible. Should an order or direction of an Authority be issued to Landlord or Tenant, requiring Landlord or Tenant to do anything in relation to an environmental problem caused or contributed to by Tenant, Tenant will, upon receipt of written notice from Landlord, promptly and fully satisfy the requirements of the order or direction at Tenant's expense.
  - (b) If Tenant fails or refuses to promptly and fully satisfy the requirements of an order or direction referred to in this section, or if, in Landlord's opinion Tenant is not competent to satisfy the requirements of the order or direction, Landlord may elect in writing (but is not

obligated) to satisfy the whole or any part of the requirements of the order or direction at Tenant's expense.

- (c) If Tenant fails or refuses to promptly and fully satisfy the requirements of any such order or direction or if Tenant is convicted of an offence contrary to any Environmental Law which relates to the Premises or the Project and the course of conduct which gave rise to the order, direction or offence has not ceased or been rectified, or re-occurs, Landlord will have the option, at its sole discretion, to terminate this Lease forthwith by notice in writing, and Landlord will not be liable for any losses or damages of any kind however caused arising out of such termination.

9.7 ***Inspection***

- (a) If Landlord has reasonable grounds to believe that Tenant has failed to comply with the provisions of this Part 9 or has breached Environmental Law, Landlord may at any time upon one (1) business day's prior written notice (except in a real or perceived emergency in which event no notice shall be required) inspect the Premises and Tenant's records to determine whether Tenant is fully complying with Environmental Law and its environmental obligations under this Lease and to evaluate the risk of Discharges.
- (b) When Landlord reasonably considers it necessary, the inspection may be performed in whole or in part by experts, and may include sampling, monitoring, and other tests, all performed at Tenant's expense if arising from or attributable to any act or omission of Tenant or if such inspection discloses that Tenant has not complied with its obligations under this Part 9.
- (c) If Landlord's inspection discloses a breach of an Environmental Law by Tenant or those for whom Tenant is in law responsible, or a situation which could reasonably be anticipated to result in a breach of an Environmental Law by Tenant or those for whom Tenant is in law responsible, Landlord will have the right to rectify such breach, or prevent such breach from occurring, as the case may be, at Tenant's sole expense.
- (d) Tenant authorizes Landlord to make inquiries from time to time of any Authority with respect to Tenant's compliance with Environmental Law, and Tenant will from time to time provide to Landlord such written authorizations as Landlord may require in order to facilitate Landlord obtaining such information.
- (e) Upon request by Landlord from time to time, Tenant shall provide to Landlord a certificate executed by a senior officer of Tenant certifying ongoing compliance by Tenant with Environmental Law, the Environmental Questionnaire and its covenants contained in this Part 9.
- (f) At any time during the Term following a Discharge occurring on or about the Premises, Landlord may require Tenant to obtain and deliver to Landlord at Tenant's expense an Environmental Assessment addressed to both Landlord and Tenant concerning any Discharge or the status of Tenant's performance of its obligations under this Part 9.

Except in the case of emergency, at Tenant's request, Landlord shall be accompanied by a representative of Tenant during any entry to the Premises in connection with an inspection as set out in this section 9.7, provided, however that so long as Landlord has provided Tenant with prior

written notice (as hereinafter set out above in section 9.7(a)), Landlord shall not be prohibited from accessing the Premises if there is no personnel of Tenant present to accompany Landlord and/or its representatives.

9.8 ***Warehousing and Storage of Related Chemical Products*** Tenant acknowledges, covenants and agrees that:

- (a) all Related Chemical Products at the Premises shall be disclosed in writing by Tenant to Landlord including, without limitation, as part of the Environmental Questionnaire to be provided by Tenant to Landlord from time to time pursuant to this Lease;
- (b) all Related Chemical Products kept at the Premises shall be received pre-packaged in packaging mandated by the applicable Authority;
- (c) all Related Chemical Products shall be stored in accordance with all Environmental Laws and in accordance with the requirements of the applicable Authority and shall be kept in a discrete, clearly identified area of the warehouse portion of the Premises being identifiable from the remainder of the warehouse portion of the Premises;
- (d) the Related Chemical Products shall be stored and handled in strict accordance with the MSDS and the requirements of the WHMIS, and every person delivering or handling the Related Chemical Products shall be trained in accordance with the WHMIS guidelines and shall follow the MSDS;
- (e) intentionally deleted;
- (f) the Related Chemical Products shall be stored on skids in dedicated areas for each Related Chemical Product. The Related Chemical Products shall be loaded into and out of the Premises directly onto the truck which will be entering into the Premises through the same door;
- (g) Landlord may make inquiries from time to time of any Authority with respect to Tenant's compliance with the WHMIS and the MSDS, and Tenant will from time to time provide to Landlord such written authorizations as Landlord may require in order to facilitate Landlord obtaining such information; and
- (h) any spill, release, escape or leak of Related Chemical Products at the Project by Tenant or those for whom Tenant is in law responsible shall be remediated in strict accordance with the MSDS and the requirements of each Authority having jurisdiction and Tenant hereby agrees to indemnify and hold harmless Landlord from all expenses, claims and liabilities relating in any way to any and all Related Chemical Products at the Project by Tenant or those for whom Tenant is in law responsible.

9.9 ***Vacant Possession*** Upon the expiration of the Term or other termination of this Lease, Tenant will leave the Premises and the Project clean of Contaminants brought or created or caused or contributed to by Tenant or those for whom Tenant is in law responsible and in the same condition in which Tenant was required to keep the Premises pursuant to this Lease and as shown on the Baseline Report.

- 9.10 **No Merger** The provisions of this Part 9 will survive and continue to apply following the expiry or earlier termination of this Lease.
- 9.11 **Landlord's Representation and Pre-Existing Contaminants** Except as disclosed in the Baseline Report, Landlord represents, to the best of its knowledge and belief and without further inquiry, that as of the date Tenant first took possession of the Premises (being January 12, 2023), the Premises were free of Contaminants. Notwithstanding anything in this Lease to the contrary, Tenant shall not be responsible for any Contaminants existing in, on, or around the Premises prior to the day on which Tenant took possession of the Premises or which are identified in the Baseline Report (save and except to the extent remediation of any such existing Contaminant is required as a result of being disturbed by Tenant or those for whom Tenant is at law responsible). If any environmental non-compliance at the Premises which is not attributable to Tenant or those for whom Tenant is in law responsible results in an unsafe or unhealthy work place and Tenant is unable to operate its business from the Premises for a period in excess of ten (10) days, then Tenant shall have the right to terminate this Lease on not less than thirty (30) days' notice to Landlord, provided, however, that if such environmental non-compliance is remedied and Tenant is able to resume its business operations from the Premises within said thirty (30) day period, then Tenant's termination notice shall null and void and this Lease shall not be terminated.

#### **PART 10 - LANDLORD'S SERVICES AND ALTERATIONS**

- 10.1 **Operation of Project** Landlord shall operate the Project during the Term to an appropriate standard having regard to the size, age, type and location of the Project. The Project shall at all times be under the exclusive control and management of Landlord (subject to the terms and provisions of this Lease).
- 10.2 **Services to Premises**
- (a) **Electrical Power** Please see paragraph 2 of Schedule 8.
  - (b) **Water and Sewage Connections** Please see paragraph 2 of Schedule 8.
  - (c) **Information Technology** Please see paragraph 2 of Schedule 8.
  - (d) **Utility Regulations** The furnishing of Utilities as set out in Part 6 of this Lease and this section 10.2 or otherwise shall be subject to the rules and regulations of the supplier of such utility or other Authority regulating the business or providing any of these Utilities.
- 10.3 **Interruption or Delay of Services or Utilities** Landlord may, on a temporary basis, slow down, interrupt, delay, or shut down any of the services or Utilities outlined in this Part 10 on account of necessary repairs, maintenance or alterations to any equipment or other parts of the Project, provided that to the extent reasonably possible under the circumstances Landlord shall provide prior written notice and shall schedule such interruptions, delays, slow downs, or stoppage so as to minimize any inconvenience to Tenant, save and except in all instances for real or perceived emergencies and Unavoidable Delay. No reduction or discontinuance of such services or Utilities will be construed as an eviction of Tenant, nor release Tenant from any obligation of Tenant under this Lease, nor make Landlord liable for any damages arising therefrom.
- 10.4 **Public Policy** Landlord shall be deemed to have observed and performed the terms and conditions to be performed by Landlord under this Lease, including those relating to the provision of Utilities,

if in so doing it acts in accordance with a directive, policy or request of an Authority acting in the fields of energy, conservation, waste management and disposal, security, the environment or other area of public interest.

- 10.5 **Easements** Tenant acknowledges that Landlord and any persons authorized by Landlord may install, maintain and repair pipes, wires and other conduits or facilities through the Common Areas and, provided that same once installed will not materially interfere with Tenant's reasonable use and enjoyment of the Premises, through the Premises. Any such installing, maintaining and repairing shall be done in a manner that will minimize inconvenience to Tenant to the extent reasonably possible in the circumstances.

- 10.6 **Landlord's Alterations** Landlord shall have the right, at any time, to (a) add buildings, additions and parking structures on the Lands and the Project or to make additions to, or subtractions from, or to change, rearrange or relocate any part of the Common Areas, the Lands, the Building and/or other parts of the Project (it being understood and agreed that any relocation of the Premises shall be in accordance with the provisions of section 17.3 hereof); (b) enclose any open area, and to grant, modify or terminate easements and other agreements pertaining to the use and maintenance of all or any part of the Common Areas, the Lands, the Building and/or other parts of the Project; (c) make changes to the parking areas and facilities, access routes and driveways and to make any changes or additions to the systems, pipes, conduits, Utilities or other building services within or serving the Project; and (d) make changes to the exterior of the Building including, without limitation, the exterior surfaces of the Building and Landlord shall use commercially reasonable efforts: (i) to perform any work required as expeditiously as reasonably possible under the circumstances; (ii) where reasonably possible, to minimize interference to Tenant's business at the Premises; and (iii) to ensure that access to the Building and the Premises is available at all times.

In doing any of the foregoing, Landlord shall have the right to enter the Premises in accordance with section 8.3 of this Lease, and shall make such changes as expeditiously as reasonably possible, using commercially reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises. Tenant shall cooperate with Landlord in any of its programs to improve or make more efficient the operation of the Project or any part thereof, provided same shall be at no material increase in cost to Tenant and same shall not result in the diminishment of any of Tenant's rights under this Lease.

- 10.7 **Landlord's Signs** Landlord shall have the right at any time to install general information, directory and direction signs in and about the Project, and further may place upon the Building a notice of reasonable dimensions, reasonably placed so as not to interfere with Tenant's business, stating that the Building is for sale, or that areas of the Project are for lease, as the case may be, and at any time during the last nine (9) months of the Term (as same may be extended), that the Premises are for lease. Tenant shall not remove or interfere with such notices or signs.
- 10.8 **Additional Services** Tenant may from time to time request in writing Additional Services from Landlord and to the extent so requested, or where expressly set out to be Additional Services pursuant to the terms of this Lease, Tenant shall pay Landlord's charge for such Additional Services (which shall be reasonable having regard to Landlord's standards for the Building and which, where practical, shall be estimated by Landlord in advance) plus fifteen percent (15%) thereof to cover Landlord's cost of administration, payable within thirty (30) days of delivery of Landlord's invoice therefor. If a charge for Additional Services is payable by Tenant under this Lease, then to the

extent any cost or expense is included in such charge, such cost or expense shall be excluded from Operating Costs.

#### **PART 11 - INSURANCE AND INDEMNIFICATION**

- 11.1 **Tenant's Insurance** Tenant shall, at its sole cost and expense, take out and maintain in full force and effect at all times throughout the Term the following insurance:
- (a) "All Risks" insurance upon property of every description and kind owned by Tenant, or for which Tenant is legally liable, or which is installed by or on behalf of Tenant, within the Premises or on the Lands, Building or Project, including, without limitation, stock in trade, furniture, equipment, partitions, Trade Fixtures and Leasehold Improvements, in an amount not less than the full replacement cost thereof from time to time;
  - (b) commercial general liability and property damage insurance, including personal liability, contractual liability, tenants' legal liability, non-owned automobile liability and owners' and contractors' protective insurance coverage with respect to the Premises and the Common Areas, which coverage shall include the business operations conducted by Tenant and any other person on the Premises and all those for whom Tenant is responsible including those performing work for or on behalf of Tenant. Such policies shall be written on an occurrence basis with coverage for any one occurrence or claim of not less than five million dollars (\$5,000,000.00) or such higher limits as Landlord or the Mortgagee may require from time to time and which are reasonable in the industry for premises such as the Premises;
  - (c) business interruption insurance including loss of profits;
  - (d) broad form boiler and machinery insurance on a blanket repair and replacement basis with limits for each accident in an amount of at least the replacement cost of all Leasehold Improvements and of all boilers, pressure vessels, air-conditioning equipment and miscellaneous electrical apparatus owned or operated by Tenant or by others (except for Landlord) on behalf of Tenant in the Premises, or relating to, or serving the Premises; and
  - (e) any form of insurance as Tenant may desire from time to time and/or, on not less than sixty (60) days' prior written notice to Tenant, any form of insurance, which a prudent tenant would insure on the basis that the required insurance is customary at the time in the jurisdiction in which the Project is located for tenants of buildings similar to the Building or is required as a result of the particular nature of, or change to, the use and occupancy of the Premises, as may be reasonably required by Landlord or the Mortgagee from time to time, including without limitation pollution and remediation legal liability coverage with respect to any Environmental Claim, in amounts and for insurance risks against which a prudent tenant would protect itself.
- 11.2 **Policy Requirements** Each policy of insurance taken out by Tenant in accordance with this Lease shall be taken out with reputable insurers licensed to do business in the Province of Ontario and shall be in such form and on such terms with deductibles as are satisfactory to Landlord (acting reasonably), the Mortgagee and the Manager (acting reasonably) and each such policy shall name Landlord, any Mortgagee and the Manager and any others designated by Landlord (including any beneficial owner or other having an insurable interest) as additional insureds, as their respective interests may appear, and each of such policies shall contain in form satisfactory to Landlord, acting reasonably:

- (a) a waiver by the insurer of any rights of subrogation or indemnity or any other claim over, to which such insurer might otherwise be entitled against Landlord, the Manager and their respective officers, directors, agents, employees or those for whom it is in law responsible;
  - (b) an undertaking by the insurer to notify Landlord and the Mortgagee in writing not less than thirty (30) days prior to any proposed material change adverse to Landlord's interest, cancellation or other termination thereof. Tenant shall notify Landlord in writing not less than thirty (30) days prior to any other proposed material change to Tenant's insurance policies;
  - (c) a provision that Tenant's insurance is primary and shall not call into contribution any other insurance available to Landlord; and
  - (d) a severability of interests clause and a cross-liability clause, where applicable; and
  - (e) the Mortgagee's standard mortgage clause.
- 11.3 **Proof of Insurance** Tenant shall provide to Landlord and the Mortgagee at the time of execution of this Lease and thereafter on written demand, and from time to time, satisfactory evidence that the policies of insurance required to be maintained by Tenant in accordance with this Lease are in fact being maintained, which evidence shall be in the form of certificates of insurance.
- 11.4 **Failure to Maintain** If Tenant fails to take out or keep in force any insurance referred to in this Part 11 or should any such insurance not be approved by either Landlord or the Mortgagee, each acting reasonably, and should Tenant not rectify the situation within two (2) business days following receipt by Tenant of written notice from Landlord (stating, if Landlord or the Mortgagee do not approve of such insurance, the reasons therefor), Landlord shall have the right, without assuming any obligation in connection therewith, to effect insurance under Landlord's blanket policy to cover Landlord's Mortgagee's interests at the sole cost of Tenant and all outlays by Landlord shall be payable by Tenant to Landlord and shall be due on the first day of the next month following said payment by Landlord, without prejudice to any other rights and remedies of Landlord under this Lease.
- 11.5 **Damage to Leasehold Improvements** In case of damage to the Leasehold Improvements, or any material part thereof, the proceeds of insurance in respect thereto shall be payable to Landlord, and such proceeds if received by Landlord shall be released to Tenant (provided that Tenant is not then in default hereunder beyond any permitted curative period) upon Tenant's written request for progress payments, at stages determined by a certificate of the Architect stating that repairs to each such stage have been satisfactorily completed free of liens by Tenant or by Tenant's contractors. In the event Tenant defaults in making such repairs, Landlord may, but shall not be obliged to, perform the repairs and the proceeds may be applied by Landlord to the cost thereof. If this Lease expires or is terminated at a time when the Premises or Leasehold Improvements are damaged or destroyed as a result of a peril required to be insured against by Tenant, Tenant shall pay or assign to Landlord free of any encumbrance, an amount equal to the proceeds of insurance maintained or, if Tenant is in default of section 11.1, the proceeds of insurance which would have been recoverable under insurance required to be maintained by Tenant with respect to such damage or destruction.

- 11.6 ***Landlord's Insurance*** Landlord agrees to insure the Building and the machinery, boilers and equipment therein owned by Landlord (specifically excluding any property which Tenant is obliged to insure under this Part 11) against "All Risks" of loss in such reasonable amounts as would be carried by a prudent owner of a comparable building in the municipality. Landlord shall also carry commercial general liability insurance covering third party bodily injury and property damage with respect to the operation of the Building and rental insurance, and may carry environmental insurance and any other forms of insurance as it or the Mortgagee may reasonably determine to be advisable from time to time. Notwithstanding that Tenant shall be contributing to Landlord's costs and premiums respecting such insurance, Tenant shall not have any insurable or other interest in any of Landlord's insurance other than the rights, if any, expressly set forth in this Lease, and in any event, Tenant shall not have any interest in, nor any right to recover any proceeds under any of Landlord's insurance policies.
- 11.7 ***Increase in Insurance Premiums*** Tenant shall not do or permit anything to be done upon the Premises which shall cause the premium rate of insurance on the Building to be increased. If the premium rate of insurance on the Building shall be increased by reason of any act or omission of Tenant or any use made of the Premises, Tenant shall pay to Landlord on demand the amount of such premium increase. In the event of an actual or threatened cancellation of any Landlord's insurance on the Building or any material adverse change thereto by the insurer by reason of the use or occupation of the Premises and if Tenant has failed to remedy the situation, use, condition, occupancy or other factor giving rise to such actual or threatened cancellation or adverse change within twenty-four (24) hours after notice thereof by Landlord, then without prejudice to any other rights which Landlord may have, Landlord may remedy the situation, use, condition, occupancy or other factor giving rise to such actual or threatened cancellation or change, all at the cost of Tenant to be paid forthwith upon demand, and for such purposes Landlord shall have the right to enter upon the Premises without further notice. Landlord acknowledges and agrees that the Initial Use conducted in accordance with the provisions of this Lease shall not in and of itself cause the premium rate of insurance on the Building to be increased.
- 11.8 ***Release of Landlord and Tenant***
- (a) Subject to sections 11.8(b) and 11.8(c), each of Landlord and Tenant hereby releases the other and waives all claims against the other and those for whom the other is in law responsible with respect to occurrences insured against or required to be insured against by the releasing party, whether any such claims arise as a result of the negligence or otherwise of the other or those for whom it is in law responsible.
  - (b) Such release and waiver shall be effective only to the extent of proceeds of insurance received by the releasing party and proceeds which would have been received if the releasing party obtained all insurance required to be obtained by it under this Lease and for this purpose deductible amounts shall be deemed to be proceeds of insurance received.
  - (c) Notwithstanding anything to the contrary in this section 11.8, Landlord and Tenant shall each be liable to any third person (being any person other than Landlord and Tenant) to the extent of their respective fault or negligence and each shall be entitled to full indemnity and contribution from the other to the extent of the other's fault or negligence.
  - (d) For the purposes of this section 11.8, "Landlord" shall include the Manager.

11.9 ***Indemnification of Landlord and Tenant*** To the extent not released under section 11.8, each of Landlord and Tenant shall indemnify and save harmless the other from all liabilities, damages, losses, expenses, claims or actions arising out of:

- (a) any breach by the indemnifying party of any covenant or condition in this Lease;
- (b) any loss, cost or expense arising from or occasioned by the act, default or negligence of the indemnifying party, its officers, agents, servants, employees or licensees; and
- (c) any obligation of the indemnifying party arising or outstanding upon the expiration or earlier termination of this Lease.

Such indemnity shall survive the termination of this Lease, anything in this Lease to the contrary notwithstanding.

11.10 ***Extension of Rights and Remedies***

- (a) Every right, benefit, exemption from liability, defence, immunity and waiver of whatsoever nature applicable to Landlord under this Lease shall also be available and shall extend to benefit and to protect all other companies owned, operated or controlled by or affiliated with Landlord and the Manager (if any) and to protect their respective officers, directors, managers, consultants and employees and for such purposes Landlord and the Manager (if any) is or shall be deemed to be acting as agent or trustee on behalf of and for the benefit of such companies and persons.
- (b) Every right, benefit, exemption from liability, defence, immunity and waiver of whatsoever nature applicable to Tenant under this Lease shall also be available and shall extend to benefit and to protect Tenant's officers, directors, managers, consultants and employees and for such purposes Tenant is or shall be deemed to be acting as agent or trustee on behalf of and for the benefit of such companies and persons.

## **PART 12 - DAMAGE AND DESTRUCTION**

12.1 ***Damage to the Premises*** It is understood and agreed that, notwithstanding the other provisions of this Lease, should the Premises at any time be partially or wholly destroyed or damaged by any cause whatsoever or should demolition of the Premises be necessitated thereby or should the Premises become unfit for occupancy by Tenant:

- (a) subject as hereinafter provided in this section 12.1, Landlord shall, to the extent of the insurance proceeds available for reconstruction and actually received by Landlord from its insurers following an election by the Mortgagee to apply all or any portion of such insurance proceeds against the debt owing to the Mortgagee as the case may be, reconstruct the Premises in accordance with Landlord's obligations to repair under the provisions of section 8.2 hereof. Upon substantial completion of Landlord's work, Landlord shall notify Tenant, and Tenant shall forthwith commence and expeditiously complete reconstruction and repair of the Premises, Leasehold Improvements and Trade Fixtures in accordance with Tenant's obligations to repair under the provisions of section 8.1 hereof;
- (b) rent shall not abate unless the Premises are rendered wholly or partially unfit for occupancy by such occurrence and in such event Rent, as of the date of such occurrence shall abate

proportionately as to the portion of the Premises rendered unfit for occupancy, but only for the period and to the extent that proceeds of rental insurance are actually received by Landlord, or if earlier, only until sixty (60) days following receipt by Tenant of Landlord's notice given to Tenant as provided in subsection 12.1(a) hereof, at which time Rent shall recommence;

- (c) if, in the opinion of the Architect, such opinion to be given to Landlord and Tenant within thirty (30) days of the date of such damage, the Premises cannot be repaired and made fit for occupancy within one hundred and eighty (180) days from the date of such damage (employing normal construction methods without overtime or other premium), then Landlord or Tenant may, by written notice to the other given within thirty (30) days of receipt of such opinion of the Architect, elect to terminate this Lease, and Rent shall cease and be adjusted as of the date of such damage and Tenant shall immediately vacate the Premises and surrender same to Landlord; and
- (d) in no event, including termination of the Lease in accordance with the provisions of subsection 12.1(c) hereof, shall Landlord be liable to reimburse Tenant for damage to, or replacement or repair of any Leasehold Improvements, Trade Fixtures or any of Tenant's Property.

12.2 ***Damage to the Building*** It is understood and agreed that, notwithstanding the other provisions of this Lease, should the Building at any time be partially or wholly destroyed or damaged by any cause whatsoever, or should demolition of the Building, or any part thereof, be necessitated thereby:

- (a) subject as hereinafter provided in this section 12.2, Landlord shall, to the extent of the insurance proceeds available for reconstruction and actually received by Landlord from its insurers following any election by the Mortgagee to apply all or any portion of such insurance proceeds against the debt owing to the Mortgagee as the case may be, expeditiously reconstruct and repair the Building, and to the extent necessary, the Premises, in accordance with Landlord's obligations to repair under the provisions of section 8.2 hereof. Upon substantial completion of Landlord's work as it relates to the Premises Landlord shall notify Tenant, and Tenant shall forthwith commence and expeditiously complete reconstruction and repair of the Premises, Leasehold Improvements and Trade Fixtures to the extent they are so affected, in accordance with Tenant's obligations to repair under the provisions of section 8.1 hereof;
- (b) rent shall not abate unless the Premises are rendered wholly or partially unfit for occupancy by such occurrence, and in such event, Rent, as of the date of such occurrence shall abate proportionately as to the portion of the Premises rendered unfit for occupancy, but only for the period and to the extent that proceeds of rental insurance are actually received by Landlord, or if earlier, only until sixty (60) days following receipt by Tenant of Landlord's notice given to Tenant as provided in subsection 12.2(a) hereof, at which time Rent shall recommence;
- (c) if in the opinion of the Architect, such opinion to be given to Landlord and Tenant within thirty (30) days of the date of such damage, thirty percent (30%) or more of the Total Rentable Area of the Building is at any time destroyed or damaged in whole or in part by any cause whatsoever, or by demolition caused or necessitated thereby, notwithstanding

that the Premises may be unaffected by such occurrence, Landlord or Tenant may, by written notice to the other given within thirty (30) days of receipt of such opinion of the Architect, elect to terminate this Lease, in which case, Rent shall cease and be adjusted as of the termination date specified in such notice, and Tenant shall vacate the Premises and surrender same to Landlord on such termination date;

- (d) in repairing, reconstructing or rebuilding the Building or any part thereof, Landlord may use designs, plans and specifications, other than those used in the original construction of the Building, and Landlord may alter or relocate, or both, any or all buildings, facilities and improvements, including the Premises, provided that the Premises as altered or relocated shall be substantially the same size and shall be in all material respects reasonably comparable to the Premises, as defined herein; and
- (e) in no event, including termination of this Lease in accordance with the provisions of subsection 12.2(c) hereof, shall Landlord be liable to reimburse Tenant for damage to, or replacement or repair of any Leasehold Improvements, Trade Fixtures or of any Tenant Property.

- 12.3 **Architect's Certificate** It is understood and agreed by Tenant that wherever a certificate of the Architect is required or deemed appropriate by Landlord, the certificate of the Architect shall, subject to manifest error, bind the parties hereto as to completion of construction of the Premises and the availability of services, the percentage of the Premises or Building destroyed or damaged and the number of days required to make repairs or reconstruct and the state of tenantability of the Premises, and the state of completion of any work or repair of either Landlord or Tenant.
- 12.4 **Limitation** Except as specifically provided in this Lease, there will be no reduction or abatement of Rent and Landlord will have no liability to Tenant by reason of any injury to or interference with Tenant's business or Tenant Property arising from fire or other casualty, howsoever caused, or from the making of any repairs resulting therefrom in or to any portion of the Building.

### **PART 13 - TRANSFERS BY TENANT**

- 13.1 **Transfers** Tenant covenants that no Transfer affecting Tenant, this Lease, the Premises or the business of Tenant at the Premises shall be permitted or effective until Landlord's prior written consent to the Transfer is delivered to Tenant, which consent (without limiting Landlord's rights hereunder) will not be unreasonably withheld, delayed or conditioned, so long as Tenant is not in default hereunder after receipt of a notice therefor from Landlord. Requests by Tenant to assign this Lease or sublet all or part of the Premises or to otherwise enter into a Transfer shall be in writing to Landlord accompanied by a copy of the proposed Transfer documents, complete particulars of the proposed Transfer, the business and financial responsibility and standing of the proposed transferee, a copy of the Environmental Questionnaire attached hereto as Schedule 7 completed and certified by such proposed transferee, and such other information as Landlord may reasonably require. Prior to any consent being given by Landlord to Tenant's request, Landlord must be satisfied, acting reasonably, as to, among other things, the following: (a) that the liability of Tenant to fulfil the terms, covenants and conditions of this Lease shall remain; (b) that the financial ability, credit rating, business reputation and standing of the proposed assignee, subtenant or transferee, as the case may be, is satisfactory to Landlord, acting reasonably; (c) that Tenant has regularly and duly paid Rent and performed all of the covenants contained in this Lease, (d) intentionally deleted; (e) that the proposed transferee has, or will enter into an agreement with

Landlord agreeing to be bound by all of the terms, covenants and conditions of this Lease; and (f) that the proposed transferee's intended use of the Premises, if different from the use then conducted at the Premises, shall not increase the likelihood of a Discharge or other environmental contamination or damage. If Tenant requests Landlord's consent to any Transfer, Landlord may:

- (a) refuse its consent (acting reasonably, provided that it will be reasonable for Landlord to consider, among other things, those factors listed above); or
- (b) elect to cancel and terminate this Lease if the request is to assign the Lease or to sublet all of the Premises. If Landlord elects to cancel this Lease and so advises Tenant in writing, Tenant shall then notify Landlord in writing within fifteen (15) days thereafter of Tenant's intention either to refrain from such assigning or subletting or to accept the cancellation of the Lease. Failure of Tenant to deliver notice to Landlord within such fifteen (15) day period advising of Tenant's intention to refrain from such assigning or subletting, shall be deemed to be an acceptance by Tenant of Landlord's cancellation of this Lease (in whole, or in part, as the case may be). Any cancellation of this Lease pursuant to this section 13.1 shall be effective on the later of the date originally proposed by Tenant as being the effective date of transfer or the last day of the month which is not less than sixty (60) days following the date of Landlord's notice of cancellation of this Lease. Notwithstanding the foregoing, Landlord's right of termination as set out in this section 13.1(b) shall not apply to any request for consent to a Transfer as part of a sale of Tenant's business as a going concern, and for clarity, shall not apply in the case of a Transfer to a Related Corporation or a Permitted Transfer (as defined below); or
- (c) grant its consent with such conditions, if any, as Landlord elects to impose, acting reasonably, which conditions may include but are not limited to:
  - (i) the requirement that any transferee covenant directly with Landlord in writing to perform and observe such of the covenants, obligations and agreements of Tenant under this Lease as Landlord requires (but, in the case of subtenant, only to the extent such covenants, obligations and agreements apply to the subleased premises for the duration of the sublease term); and
  - (ii) the requirement that any transferee deliver to Landlord the Environmental Questionnaire attached hereto as Schedule 7, certified by a senior officer of such transferee to be complete and accurate, disclosing no increased environmental risk.

13.2 **Additional Requirements** If Landlord agrees to grant its consent to any Transfer under section 13.1:

- (a) Tenant shall not permit or cause such Transfer to be completed except:
  - (i) upon terms consistent with the terms of Tenant's request and information under section 13.1 (except to the extent modified by any conditions imposed by Landlord under section 13.1);
  - (ii) upon conditions imposed by Landlord, if any, under section 13.1; and
  - (iii) upon terms not otherwise inconsistent with the terms of this Lease;

- (b) Tenant shall cause to be executed and delivered by any party to the Transfer (including Tenant) such documentation as may be required by Landlord, acting reasonably, in connection with such Transfer;
  - (c) if the basic and additional rent to be paid by the transferee under the Transfer exceeds the Basic Rent and Additional Rent payable by Tenant hereunder, the amount of such excess (after deduction of all reasonable and actual costs bona fide incurred by Tenant in obtaining such Transfer (which costs must be evidenced to Landlord's reasonable satisfaction)) shall be paid by Tenant to Landlord; and if Tenant receives from any transferee, either directly or indirectly, any consideration other than basic rent or additional rent for such Transfer, either in the form of cash, goods or services (other than consideration for goodwill, Trade Fixtures, equipment, Tenant's interest in the Leasehold Improvements or for inventory which is or are bona fide attributable to Tenant's business in the Premises), Tenant shall immediately pay to Landlord an amount equivalent to such consideration (after deduction of all reasonable and actual costs bona fide incurred by Tenant in obtaining such Transfer (which costs must be evidenced to Landlord's reasonable satisfaction));
  - (d) if such Transfer shall not be completed within ninety (90) days after Landlord's consent is given, such consent shall expire and become null and void and Tenant shall not then allow or cause such Transfer to be completed without again complying with all the requirements of this Part 13; and
  - (e) such consent shall not be effective unless and until Tenant shall have complied fully with this section 13.2 and section 13.3.
- 13.3 **Landlord's Costs** Prior to Landlord delivering any requested consent, Tenant shall pay Landlord's reasonable fees and costs incurred in processing each request by Tenant for consent to Transfer including Landlord's administrative fee of \$1,500 plus reimbursement for all actual and reasonable legal costs and reimbursement for all credit check fees and all applicable taxes.
- 13.4 **No Advertising** Tenant shall not advertise that the whole or any part of the Premises are available for a Transfer and shall not permit any broker or other person to do so unless the text and format of such advertisement is approved in writing by Landlord, such approval not to be unreasonably withheld. No such advertisement shall contain any reference to the rental rate of the Premises.
- 13.5 **No Release** No Transfer or other disposition by Tenant of this Lease or of any interest under this Lease shall release Tenant from the performance of any of its covenants under this Lease and Tenant shall continue to be bound by this Lease. Tenant's liability under the Lease will continue notwithstanding the bankruptcy, insolvency, dissolution or liquidation of any transferee of this Lease or the termination of this Lease for default or the termination, disclaimer, surrender or repudiation of this Lease pursuant to any statute or rule of law. Furthermore, if this Lease is terminated for default or is terminated, disclaimed, surrendered or repudiated pursuant to any statute or rule of law, then, in addition to and without limiting Tenant's liability under this Lease, Tenant, upon notice from Landlord given within ninety (90) days after any such termination, disclaimer, surrender or repudiation, shall enter into a new lease with Landlord for a term commencing on the effective date of such termination, disclaimer, surrender or repudiation and expiring on the date this Lease would have expired but for such termination, disclaimer, surrender or repudiation and otherwise upon the same terms and conditions as are contained in this Lease with respect to the period after such termination, disclaimer, surrender or repudiation.

13.6 **Assignment or Sublease to a Related Corporation** Notwithstanding anything to the contrary set out in this Part 13, Landlord shall provide its written consent to an assignment of this Lease or a sublease of the whole of the Premises to a Related Corporation, provided that:

- (a) Tenant is not then in default under this Lease after receipt of a notice therefor from Landlord;
- (b) Tenant delivers to Landlord an executed copy of the assignment or sublease together with Tenant's written request for Landlord's consent;
- (c) such assignment or sublease by its terms provides that all of Tenant's covenants and obligations under this Lease shall apply to the assignee or subtenant and the subtenancy;
- (d) the assignee covenants directly with Landlord to observe and perform each of the covenants and obligations of Tenant under this Lease and, in the case of a sublease, the subtenant covenants directly with Landlord to observe and perform each of the covenants and obligations of Tenant under this Lease as they apply to the subleased premises for the duration of the sublease term;
- (e) Tenant delivers to Landlord a statutory declaration of a senior officer of Tenant confirming that the proposed assignee or subtenant is a Related Corporation; and
- (f) such assignment or sublease and related consent shall be deemed to have been revoked and rescinded upon the day immediately preceding the date upon which such assignee or subtenant ceases to be a Related Corporation and in such event Tenant shall resume possession of the Premises and shall directly operate the business required to be carried on in the Premises.

If Landlord has not provided its written consent to an assignment of this Lease or a sublease of the whole of the Premises to a Related Corporation within thirty (30) days of Tenant having satisfied all of the requirements set out in subsections (a) through (e) above, then Landlord's consent to such assignment or sublease shall be deemed to have been granted and Tenant may proceed with such assignment or sublease.

Landlord's consent shall in no way release Tenant from the performance of any of its covenants under this Lease. No further Transfer shall be permitted except in accordance with this Lease.

13.7 **Other Permitted Transfers** So long as Tenant is GH Power Inc. or a Related Corporation and Tenant is not then in default under this Lease after receipt of a notice therefor from Landlord, then Tenant shall have the right, without the consent of Landlord, but upon at least fifteen (15) days' written notice to Landlord prior to the effective date of the Transfer (unless prior written notice contravenes applicable securities legislation or regulations, in which case, Tenant shall provide written notice as soon as reasonably possible after the effective date of the Transfer) to effect a Transfer to:

- (a) a corporation formed as a result of an amalgamation (as such term is defined in the Canada Business Corporations Act) of Tenant with another corporation or corporations;
- (b) a purchaser of substantially all of Tenant's assets;

(c) a purchaser of a majority of the corporate shares of Tenant,  
(each of the foregoing being hereinafter called a "**Permitted Transferee**" or a "**Permitted Transfer**", as the case may be),

but only for so long as:

- (A) there continues to remain a continuity of or better business practices and policies and mode and style of operation notwithstanding such Transfer; and
- (B) the Permitted Transferee (or Tenant following a change of control) shall: (i) have a tangible net worth (as computed in accordance with generally accepted accounting principles consistently applied), as at the date of the Transfer, that is equal to or greater than Tenant's tangible net worth as at the date of this Lease; and (ii) carry on only the same business as is permitted to be carried on by Tenant pursuant to this Lease.

Prior to or as soon as reasonably possible after the effective date of a Permitted Transfer described in this section, Tenant shall cause any Permitted Transferee to execute an agreement directly with Landlord agreeing to be bound by all the terms, covenants, and conditions contained in this Lease, provided that no such Permitted Transfer shall operate to release or relieve Tenant of any of its obligations under this Lease.

### 13.8 **Permitted Financing**

- (a) Tenant shall not create any lien, mortgage, charge, conditional sale agreement or other encumbrance in respect of its interest in this Lease, or the Leasehold Improvements in the Premises, or, without the consent of Landlord in accordance with section 13.8(b) below, with respect to its Equipment (as defined below); nor shall Tenant take any action as a consequence of which any such prohibited lien, mortgage, charge, conditional sale agreement or other encumbrance would attach to the Premises or to the Building or the Lands.
- (b) However, Tenant shall not be deemed to be in default under the terms of this Lease by reason of any lien, mortgage, debenture, charge or encumbrance which may attach to its Tenant Property including its goods, trade fixtures, furnishings and equipment located in the Premises (specifically excluding Leasehold Improvements) (hereinafter collectively called the "**Equipment**") so long as:
  - (i) any such lien mortgage, debenture, charge or encumbrance arises through any bona fide financing done by Tenant in accordance with Tenant's normal business practice or by reason of any sale and leaseback agreement entered into by Tenant for financing purposes with respect to the Equipment;
  - (ii) Tenant is not in default under any such lien, mortgage, debenture, charge or encumbrance, or any such sale or leaseback agreement; and
  - (iii) the foregoing shall in no way prejudice or affect the priority of Landlord's rights or the obligations of Tenant with respect to:

- (A) such Equipment or stock-in-trade or Leasehold Improvements under all other terms of this Lease, and
  - (B) all laws relating to bankruptcy or distress.
- (c) The form of all documentation under this Section 13.8(b) shall be subject to the prior written approval of Landlord, which approval will not be unreasonably withheld. Tenant covenants and agrees that it will not cause, suffer or permit such documentation or any notice thereof to be registered against the title to the Building or the Lands, or any portion thereof.
  - (d) Tenant acknowledges and agrees that, as a condition of Landlord agreeing to the foregoing financing by Tenant, Tenant will cause the holder of any security granted by Tenant to enter into an agreement with Landlord and Tenant in a form prepared by Landlord acknowledging and agreeing to the foregoing and waiving its rights under such security agreement in favour of Landlord's priority referred to above.

#### **PART 14 - SALES AND FINANCINGS BY LANDLORD**

- 14.1 ***Dispositions by Landlord*** Landlord, at any time and from time to time, may sell, transfer, lease, assign, or otherwise dispose of the whole or any part of its interest in the Project or in the Premises and, at any time and from time to time, may enter into a Mortgage of the whole or any part of its interest in the Project or in the Premises. In the event of such a disposition, other than a Mortgage, by Landlord, if the party acquiring Landlord's interest covenants to assume and perform the covenants of Landlord under this Lease, Landlord shall thereupon be released from all of its covenants under this Lease. If required by Landlord in connection with any sale, transfer, Mortgage or other disposition, Tenant shall, within five (5) business days of request, provide to Landlord, prospective Purchasers and Mortgagees, and their respective agents and consultants, access to the current financial statements of Tenant and any Indemnifiers, provided that if Tenant is listed on a recognized stock exchange in Canada or the United States, Tenant agrees to provide in lieu thereof, copies of Tenant's annual reports, quarterly reports and all other publicly distributed reporting materials.
- 14.2 ***Subordination and Postponement***
  - (a) Subject to subparagraph 14.2(b) immediately below, this Lease and the rights of Tenant in this Lease shall be subject and subordinate to any and all Mortgages and Tenant, on request by and without cost to Landlord, shall, within ten (10) business days after such request, execute and deliver any and all instruments required by Landlord to evidence such subordination. Upon request by Tenant at the time of any request for confirmation of subordination, Landlord shall make reasonable commercial efforts to obtain from any Mortgagee, at Tenant's cost, an acknowledgement and assurance in writing addressed to Tenant, whereby such Mortgagee acknowledges that in the event of any such Mortgagee realizing upon the security, it will not disturb Tenant and will permit Tenant to remain in possession under this Lease in accordance with its terms, so long as Tenant is not in default.
  - (b) Landlord, as to any Mortgage, and a Mortgagee, as to any Mortgage held by it, may, by notice to Tenant, elect at any time that this Lease and the rights of Tenant hereunder shall have, and shall be deemed to have always had, priority to such Mortgage(s). Tenant, on request by and without cost to Landlord, shall, within ten (10) business days after such

request, execute and deliver any and all instruments required by Landlord or the Mortgagee, as the case may be, to further evidence priority of this Lease over the Mortgage(s).

14.3 **Attornment** At any time after any of the following has occurred:

- (a) a Mortgagee delivers a notice of attornment; or
- (b) a Mortgagee takes possession of the Building or the Premises; or
- (c) the interest of Landlord is transferred to any person (a "**Purchaser**") by reason of foreclosure or other proceedings for enforcement of any Mortgage or by delivery of a transfer/deed or other conveyance,

Tenant shall at the option of the Mortgagee or the Purchaser, as the case may be, exercisable by notice in writing to Tenant, be deemed to have attorned to the Mortgagee or the Purchaser, as the case may be, upon receipt of such notice. Landlord, the Mortgagee or the Purchaser, as the case may be, may require Tenant to enter into all instruments required by Landlord, the Mortgagee or the Purchaser, as the case may be, to confirm such attornment. Upon such attornment the obligations of Tenant under this Lease shall continue in full force and effect upon all the same terms, conditions and covenants contained in this Lease.

At Tenant's request, Landlord shall use commercially reasonable efforts, to obtain from any Mortgagee of the Building, a non-disturbance agreement in such Mortgagee's standard form, the Mortgagee's costs of which shall be borne by Tenant.

14.4 **Reliance** Notwithstanding that a Mortgagee or a Purchaser is not a party to this Lease, it shall be entitled to rely upon and enforce the provisions of this Lease which are stated to be for its benefit and, without limitation, the Mortgagee shall be entitled to act as agent for Landlord to the extent necessary to enforce any such provisions.

#### **PART 15- DEFAULT**

15.1 **Landlord May Perform Tenant's Covenants** If Tenant is in default of any of its covenants, obligations or agreements under this Lease (other than its covenant to pay Rent) and such default shall have continued for a period of twenty (20) consecutive days (or such shorter period set out in this Lease) after notice by Landlord to Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied or, if by reason of the nature thereof, such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such twenty (20) day period (or such shorter period set out in this Lease), if Tenant shall fail to proceed promptly to cure the same or shall thereafter fail to prosecute the curing of such default with due diligence, Landlord, without prejudice to any other rights which it may have with respect to such default, may remedy such default and the cost thereof to Landlord together with interest at the Interest Rate thereon from the date such cost was incurred by Landlord until repaid by Tenant shall be treated as Additional Rent and added to the Rent due on the next succeeding date on which Basic Rent is payable.

15.2 **Right to Distraint**

- (a) Tenant agrees that Landlord shall have the right to distrain for any arrears of Rent without notice to Tenant, in addition to the other rights reserved to it. For such purpose Landlord shall have the right to enter the Premises as agent of Tenant either by force or otherwise without being liable for any prosecution therefor and to take possession of any goods and chattels whatever on the Premises, and to sell the same at public or private sale and apply the proceeds of such sale on account of the Rent or in satisfaction of the breach of any covenant, obligation or agreement of Tenant under this Lease and Tenant shall remain liable for the deficiency, if any. Notwithstanding anything contained in any statute concerning commercial tenancies in the province in which the Building is located, (the "Act") or any successor legislation or other statute which may hereafter be passed to take the place of the said Act or to amend the same, but subject to the remaining provisions of this section 15.2, none of the goods and chattels of Tenant at any time during the continuance of the Term shall be exempt from levy by distress for Rent and Tenant hereby waives all and every benefit that it could or might have under such Act. Upon any claim being made for such exemption by Tenant, or on distress being made by Landlord, this provision may be pleaded as an estoppel against Tenant in any action brought to test the right to the levying of distress upon any such goods.
  - (b) In exercising its right to distrain, Landlord in addition to the rights reserved to it shall have the right:
    - (i) to enter the Premises by force or otherwise without being liable for any prosecution therefor;
    - (ii) to change the locks on the Premises in order to prevent the removal by Tenant or any other person of the goods and chattels which are being distrained without thereby re-entering the Premises or terminating this Lease; and
    - (iii) to levy distress after sunset and before sunrise.
  - (c) Landlord agrees that all of Tenant's confidential information, materials and data and the confidential information, materials and data of the clients of Tenant, whether in written or electronic format on a computer hard drive or other electronic medium including, without limitation, professional information. Confidential information includes but is not limited to information which is confidential pursuant to the provisions of any legislation, governing the operation of Tenant, and material in the possession of Tenant which is not generally available to or used by other or the utility or the value of which is not generally known or recognized as standard practice, whether or not the underlying details are in the public domain, and includes, without limitation, all business information, computer software and computer technology, whether patentable or not, which is acquired, licensed or developed by or on behalf of Tenant from time to time, shall be exempt from distress.
- 15.3 **Landlord May Follow Chattels** In case of removal by Tenant of the goods or chattels of Tenant from the Premises, Landlord may follow the same for thirty (30) days in the same manner as is provided for in the Act or any successor legislation or other statute which may hereafter be passed to take the place of the Act or to amend the same.

#### 15.4 **Re-Entry**

- (a) It is a condition of this Lease that when:
- (i) Tenant fails to pay when due any Rent and such failure continues for five (5) days after written notice from Landlord;
  - (ii) Tenant is in default of any of its covenants, obligations or agreements under this Lease (other than its covenant to pay Rent) and such default has continued for a period of twenty (20) consecutive days (or such shorter period set out in this Lease) after notice by Landlord to Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied, or, if by reason of the nature thereof, such default cannot be cured by the payment of money and cannot with due diligence be wholly cured within such twenty (20) day period, if Tenant has failed to proceed promptly to cure the same or has thereafter failed to prosecute the curing of such failure with due diligence;
  - (iii) any execution issues against any property located on the Premises of Tenant or any Indemnifier (if applicable) and remains outstanding for more than fifteen (15) days, or any receiver of any property located on the Premises of Tenant or any Indemnifier (if applicable) is appointed, or Tenant or any Indemnifier (if applicable) becomes insolvent or makes application for relief from creditors under the provisions of any statute now or hereafter in force, or files a notice of intention or a proposal, makes an assignment in bankruptcy, has a receiving order made against it or otherwise becomes bankrupt or insolvent, or any action, steps or proceedings whatever, are taken with a view to the winding up, dissolution or liquidation of Tenant or Indemnifier (if applicable), or with a view to the restructuring or compromise of any debt or other obligation of Tenant or Indemnifier (if applicable) and such appointment is not set aside or bona fide defended within fifteen (15) days thereof;
  - (iv) any insurance policy on the Building is actually cancelled or not renewed or threatened to be cancelled or not renewed by any insurer by reason of any particular use or occupation of the Premises and Tenant has failed to remedy the situation, use, condition, occupancy or other factor giving rise to such actual or threatened cancellation within two (2) business days following receipt by Tenant of written notice from Landlord;
  - (v) the Premises have been or are in the process of being abandoned, or the Premises have been used or occupied by any other person or persons other than Tenant or any person permitted by Part 13 or Schedule 8 hereof; or
  - (vi) intentionally deleted;
  - (vii) Tenant has not discharged or vacated any lien referred to in subsection 8.4(i) within the time period specified therein;
  - (viii) intentionally deleted; or

- (ix) termination of this Lease by Landlord is permitted for cause under any other part of this Lease or in law;

then, and in any of such events, the then current month's Rent together with the Rent for the three (3) months next ensuing shall immediately become due and payable, and at the option of Landlord the Term shall become forfeited and void, and Landlord without notice or any form of legal process whatever may forthwith re-enter the Premises or any part thereof in the name of the whole and repossess the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding. Landlord may expel all persons and remove all property from the Premises and such property may be removed and sold or disposed of by Landlord as it deems advisable or may be stored in a public warehouse or elsewhere at the cost and for the account of Tenant without Landlord being considered guilty of trespass or conversion or becoming liable for any loss or damage which may be occasioned thereby, provided, however, that such forfeiture shall be wholly without prejudice to the right of Landlord to recover arrears of rent and damages for any antecedent default by Tenant of its covenants under this Lease. Should Landlord at any time terminate this Lease by reason of any such event, then, in addition to any other remedies it may have, it may recover from Tenant all damages it may incur as a result of such termination.

- (b) Notwithstanding any termination of this Lease, Landlord shall be entitled to receive Rent and Rental Taxes up to the time of termination plus accelerated rent as herein provided and damages including but not limited to:
- (i) damages for the loss of Rent suffered by reason of this Lease having been prematurely terminated;
  - (ii) the costs of reclaiming and repairing the Premises; and
  - (iii) solicitor's fees and disbursements on a substantial indemnity basis.

- 15.5 **Acceptance of Rent Non-Waiver** No receipt of monies by Landlord from Tenant after the termination of this Lease shall reinstate, continue or extend the Term, or affect any notice previously given 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 action, proceeding or other remedy; it being agreed that, after the service of a notice to cancel or terminate this Lease and after the commencement of any action, proceeding or other remedy, or after a final order or judgment for possession of the Premises, Landlord may demand, receive and collect any monies due, or thereafter falling due without in any manner affecting such notice, action, proceeding, order or judgment; and any and all such monies 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.
- 15.6 **Rights Cumulative** The rights and remedies given to Landlord in this Lease are distinct, separate and cumulative, and no one of them, whether or not exercised by Landlord shall be deemed to be in exclusion of any other rights or remedies provided in this Lease or by law or in equity.
- 15.7 **Landlord Default** If Landlord is in default, Tenant shall not have or exercise any right or remedy with respect thereto unless such default continues for thirty (30) days or such longer period as may

be reasonably required in the circumstances to cure such default after notice by Tenant to Landlord specifying reasonable details of the default and requiring it to be remedied.

- 15.8 **Rights of Mortgagees** Intentionally Deleted.

#### **PART 16 - NOTICES AND CERTIFICATES**

- 16.1 **Notices** Any notice required or contemplated by any provision of this Lease shall be given in writing and shall be signed by the party giving the notice, addressed, in the case of Landlord to it only at the address shown in Part 1; in the case of notice to Tenant to it at the Premises or at the address shown in Part 1; and in the case of notice to the Indemnifier, if applicable, to it at the address shown in Part 1, in each case hand-delivered or delivered by a professional courier or sent by registered mail, postage prepaid, return receipt requested. For the purposes of this Lease, electronic messaging and electronic mail shall not be considered notice in writing. Notice shall be conclusively deemed to have been given and received, if hand-delivered or delivered by a professional courier, at the time of such delivery, unless received on a non-business day or after 5:00 p.m. on a business day, in either of which events such notice shall be deemed to have been given and received on the next business day, or if mailed, on the fifth (5<sup>th</sup>) day of regular mail service after such mailing. If two or more persons are named as Tenant, any notice given under this Lease to Tenant shall be deemed to have been sufficiently given if delivered, sent by facsimile or mailed in the foregoing manner to any one of such persons. Any party hereto may, by ten (10) days prior notice to the other(s), from time to time designate another address in Canada to which notices thereafter shall be addressed. Any notice to be given by Landlord may be signed and given by Landlord or by the Manager or by Landlord's solicitors.
- 16.2 **Certificates** Landlord and Tenant respectively agree that within ten (10) business days after a written request therefor, they shall execute and deliver to the other or to such person as may be identified in the written request (but in no event more than twice in any year) a written statement certifying that this Lease is unmodified and is in full force and effect (or if modified stating the modifications and that this Lease is in full force and effect as modified), the amount of the Basic Rent and the date to which it as well as all other charges under this Lease have been paid, whether or not there is any existing default on the part of Landlord or Tenant of which the person signing the certificate has notice and giving as well such further information as the person requesting the certificate shall reasonably require.

#### **PART 17 - ADDITIONAL PROVISIONS**

- 17.1 **Registration on Title** Tenant shall not register this Lease on the title to the Lands; however, Tenant may register a notice of lease or short form of lease on title to the Lands, at its sole cost, provided such notice of lease or short form of lease shall describe only the parties, the Premises, the Term and any renewals and any other special rights of Tenant, and shall authorize and direct the Land Registrar to delete such instrument upon the expiration of the Term, unless notice of renewal is registered by Tenant with Landlord's approval, without further authorization. Such notice of lease or short form of lease shall be prepared by Tenant's solicitors, and shall be subject to the prior written approval of Landlord and its solicitors (such approval not to be unreasonably withheld), and shall be registered at Tenant's expense. Upon expiry or termination of this Lease, Tenant shall forthwith remove or discharge from registration any such notice of lease or short form of lease and provide Landlord with reasonable evidence of such removal or discharge.

- 17.2 **Name of Building and Project** Landlord will have the right, after thirty (30) days' notice to Tenant, to change the name, number or designation of the Building or the Project or any part thereof, during the Term without liability of any kind to Tenant.
- 17.3 **Relocation** Landlord shall have the right from time to time, on not less than one hundred and twenty (120) days' notice to Tenant, to relocate the Premises to other premises within the Project that are comparable to the Premises in all material aspects including, without limitation, size, layout and function. If Landlord relocates the Premises prior to occupancy by Tenant, it shall reimburse Tenant for all expenses already incurred by Tenant in preparing to move into the Premises to the extent that such expenditure is for materials not capable of being used in the other premises. If Landlord relocates Tenant after occupancy by Tenant, Landlord shall deliver the relocated premises to Tenant improved to a standard and using materials of approximately the same quality as the Leasehold Improvements which exist in the existing Premises at the time of relocation and shall be responsible for moving any Rooftop Communication Equipment from the Premises to the relocated premises and shall reimburse Tenant (upon receipt of copies of received third party invoices) for reasonable direct costs resulting from such relocation, including, without limitation, moving costs, reprinting of a limited supply of stationery and supplies and disconnection and reconnection of telephone and computer equipment and systems. In no case will Tenant be reimbursed or compensated for indirect costs including without limiting the generality of the foregoing, overhead, overtime charges or loss of profits, and Tenant will minimize costs by re-using all fixtures and Trade Fixtures from the Premises where it is feasible to do so. Landlord agrees to use reasonable efforts to effect the relocation with a minimum of disruption to Tenant's business. Tenant shall not be required to move into the relocated premises until such time the relocated premises are ready for Tenant to conduct business therein. Landlord and Tenant shall enter into a lease amending agreement in Landlord's standard form to confirm the terms of the relocation including, without limitation, any adjustment to the Basic Rent if the Rentable Area of the relocated premises is different than the Rentable Area of the existing Premises and to confirm that all other terms and conditions of this Lease shall apply with respect to the relocated premises for the remainder of the Term. Notwithstanding the actual Rentable Area of the relocated premises, unless otherwise agreed to in writing by Tenant, Tenant shall not be required to pay Rent on a Rentable Area of the relocated premises which is greater than 100% of the Rentable Area of the Premises at the time Landlord delivers the relocation notice, and where the Rentable Area of the relocated premises is smaller, the Rent which is based on Rentable Area shall be decreased accordingly.
- 17.4 **Demolition** Notwithstanding anything contained in this Lease to the contrary, if at any time after March 31, 2025, Landlord intends to demolish, renovate, redevelop, remodel or alter the Building, then Landlord, upon giving Tenant one hundred and eighty (180) days written notice (the "**Landlord's Termination Notice**"), shall have the right to terminate this Lease pursuant to this Section 17.4, in which event this Lease shall expire on the expiration of one hundred and eighty (180) days from the date of giving of the Landlord's Termination Notice without compensation of any kind to Tenant except for the payment by Landlord to Tenant of an amount equal to the lesser of: (a) the unamortized portion of the cost to Tenant (less any allowances paid by Landlord or the amount of any rent free period or rent credits granted by Landlord herein) of Tenant's Leasehold Improvements (amortized on a straight line basis over the shorter of the useful life of such Leasehold Improvements or the Term of this Lease remaining at the time of installation thereof, and determined as of the date of termination); and (b) (i) if the termination occurs prior to or during the third (3<sup>rd</sup>) Lease Year, the amount of Six Hundred Thousand Dollars (\$600,000), or (ii) if the termination occurs during the fourth (4<sup>th</sup>) Lease Year, the amount of Three Hundred Thousand Dollars (\$300,000), or (iii) if the termination occurs during the fifth (5<sup>th</sup>) Lease Year, the amount of

One Hundred Thousand Dollars (\$100,000). For the sake of clarity, in no event shall Landlord be permitted to deliver a Landlord's Termination Notice prior to March 31, 2025.

- 17.5 **Expropriation** Landlord and Tenant shall co-operate in respect of any expropriation of all or any part of the Premises or the Project so that each party may receive the maximum award to which it is entitled in law. If the whole or any part of the Premises or of the Project are expropriated, as between the parties hereto, their respective rights and obligations under this Lease shall continue until the day on which the expropriating authority takes possession thereof. If, in the case of partial expropriation of the Premises this Lease is not frustrated by operation of governing law and such expropriation does not render the remaining part of the Premises untenantable for the purposes of this Lease, Tenant and Landlord shall restore the part not so taken in accordance with their respective repair obligations under the provisions of Part 8 of this Lease. In this section the word "expropriation" shall include a sale by Landlord to any authority with powers of expropriation, in lieu of or under threat of expropriation.
- 17.6 **Landlord and Tenant Relationship** No provision of this Lease is intended to nor creates a joint venture or partnership or any other similar relationship between Landlord and Tenant, it being agreed that the only relationship created by this Lease is that of landlord and tenant.
- 17.7 **Joint and Several** If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) sign this Lease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay Rent and to perform all other obligations hereunder shall be deemed to be joint and several. In like manner, if Tenant is a partnership or other business association, the members of which are, by virtue of statute or general law, subject to personal liability, the liability of each such member shall be joint and several.
- 17.8 **Limitation of Landlord's Liability** Tenant covenants and agrees that notwithstanding any provision to the contrary in this Lease:
  - (a) any liability of Landlord under this Lease shall be limited to its interest in the Lands and Building from time to time. If Landlord consists of more than one person, the liability of each such person shall be several and be limited to its percentage interest in the Lands and Building;
  - (b) if a real estate investment trust and/or a person controlled by a real estate investment trust (each being a "**REIT Entity**") is or becomes Landlord hereunder, each of the covenants, indemnities, agreements and obligations of Landlord hereunder shall not be personally binding upon any trustee thereof, any registered or beneficial holder of units in the REIT Entity (a "**Unitholder**"), any annuitant under a plan of which a Unitholder acts as trustee or carrier and/or any officers, directors, employees and/or agents of the REIT Entity and resort shall not be had to, nor shall recourse or satisfaction be sought from, any of the foregoing or the private property of any of the foregoing, but the property of the REIT Entity only shall be bound by such obligations. Any obligation of the REIT Entity set out in this Lease and/or in connection herewith from time to time shall to the extent necessary to give effect to such covenant, indemnity, agreement or obligation be deemed to constitute, subject to the provisions of the previous sentence, a covenant, indemnity, agreement or obligation of the trustees of the REIT Entity in their capacity as trustees of the REIT Entity only and without personal liability.

- 17.9 **Authority** Each of Tenant and Landlord represents and warrants to the other that it is duly formed and in good standing, and has full corporate or partnership authority, if applicable and as the case may be, to enter into this Lease, and has taken all corporate or partnership action, if applicable and as the case may be, necessary to make this Lease a valid and binding obligation, enforceable in accordance with its terms.
- 17.10 **Lease Entire Agreement** There are no covenants, representations, warranties, agreements or conditions expressed or implied, collateral or otherwise forming part of or in any way affecting or relating to this Lease or the Premises save as expressly set out in this Lease and this Lease constitutes the entire agreement between Landlord and Tenant and may not be amended or modified except by instrument in writing of equal formality executed by Landlord and Tenant. The Schedules attached hereto or referred to herein are an integral part of this Lease. The submission of this Lease for examination does not constitute an offer, a reservation of or option for the Premises, and this Lease becomes effective as a lease only upon execution and delivery thereof by both Landlord and Tenant.
- 17.11 **Severability** If any provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each provision of this Lease shall be separately valid and enforceable to the fullest extent permitted by law.
- 17.12 **Survival of Tenant's and Landlord's Covenants** All agreements, covenants and indemnifications in this Lease made by Tenant and Landlord shall survive the expiration or earlier termination of this Lease, anything to the contrary in this Lease or at law notwithstanding.
- 17.13 **Non Merger** There shall be no merger of this Lease nor of the leasehold estate created hereby with the fee estate in the Lands or any part thereof by reason of the fact that the same person, firm, corporation or entity may acquire or own or hold directly or indirectly: (a) this Lease or the leasehold estate created hereby or any interest in this Lease or any such leasehold estate; and (b) the fee estate in the Lands or any part thereof or any interest in such fee estate. No such merger shall occur unless and until Landlord, Tenant and Landlord's Mortgagees (including a trustee for bondholders) shall join in a written instrument effecting such merger and shall duly record the same.
- 17.14 **No Waiver** No condoning or waiver by either Landlord or Tenant of any default or breach by the other at any time or times in respect of any of the terms, covenants and conditions contained in this Lease to be performed or observed by the other shall be deemed to operate as a waiver of Landlord's or Tenant's rights under this Lease, as the case may be, in respect of any continuing or subsequent default or breach nor so as to defeat or affect in any way the rights or remedies of Landlord or Tenant under this Lease, as the case may be, in respect of any such continuing or subsequent default or breach. Unless expressly waived in writing, the failure of Landlord or Tenant to insist in any case upon the strict performance of any of the terms, covenants or conditions contained in this Lease to be performed or observed by the other shall not be deemed to operate as a waiver of the future strict performance or observance of such terms, covenants and conditions.
- 17.15 **Governing Law** This Lease shall be construed in accordance with the laws having application in the Province in which the Building is situate and the parties attorn to the exclusive jurisdiction of the courts of such Province to deal with all actions in respect of this Lease. The section headings of this Lease have been inserted for convenience of reference only and they shall not be referred

to in the interpretation of this Lease. This Lease shall be read with all changes of gender and number required by the context. Time shall be of the essence of this Lease and each of the provisions hereof.

- 17.16 **Confidentiality** Landlord and Tenant shall keep confidential all financial information in respect of this Lease, provided that they may disclose such information, to the extent required by law, and to their respective auditors, consultants, professional advisors, lenders, investors and potential Transferees so long as they have first agreed to respect such confidentiality.
- 17.17 **Successors and Assigns** This Lease shall enure to the benefit of and be binding upon the parties hereto and their respective permitted successors and assigns.
- 17.18 **Tenant's Review of Lease** Tenant acknowledges and agrees that this Lease has been negotiated and approved by each of Landlord and Tenant and, notwithstanding any rule or maxim of law or construction to the contrary, any ambiguity or uncertainty will not be construed against either Landlord or Tenant by reason of the authorship of any provision contained in this Lease.
- 17.19 **Signatures** A facsimile or PDF or electronic signature shall constitute a valid and binding signature with the same effect as if it were an original signature endorsed on this Lease. A signed copy of this Lease transmitted by PDF or other electronic means of transmission shall be deemed to have been validly delivered and shall bind the parties. The parties agree that execution of this Lease by use of digital signature software shall constitute valid execution.

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

LANDLORD

SLATE HWD INC.

Per: S. Dejonckheere  
Name: Steven Dejonckheere  
Title: Authorized Signing Officer

I have authority to bind the Corporation.

TENANT

GH POWER INC.

Per:   
Name: Gary Grahn  
Title: Chief Operating Officer

Per: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

I/We have authority to bind the Corporation

## SCHEDULE 1

### LEGAL DESCRIPTION

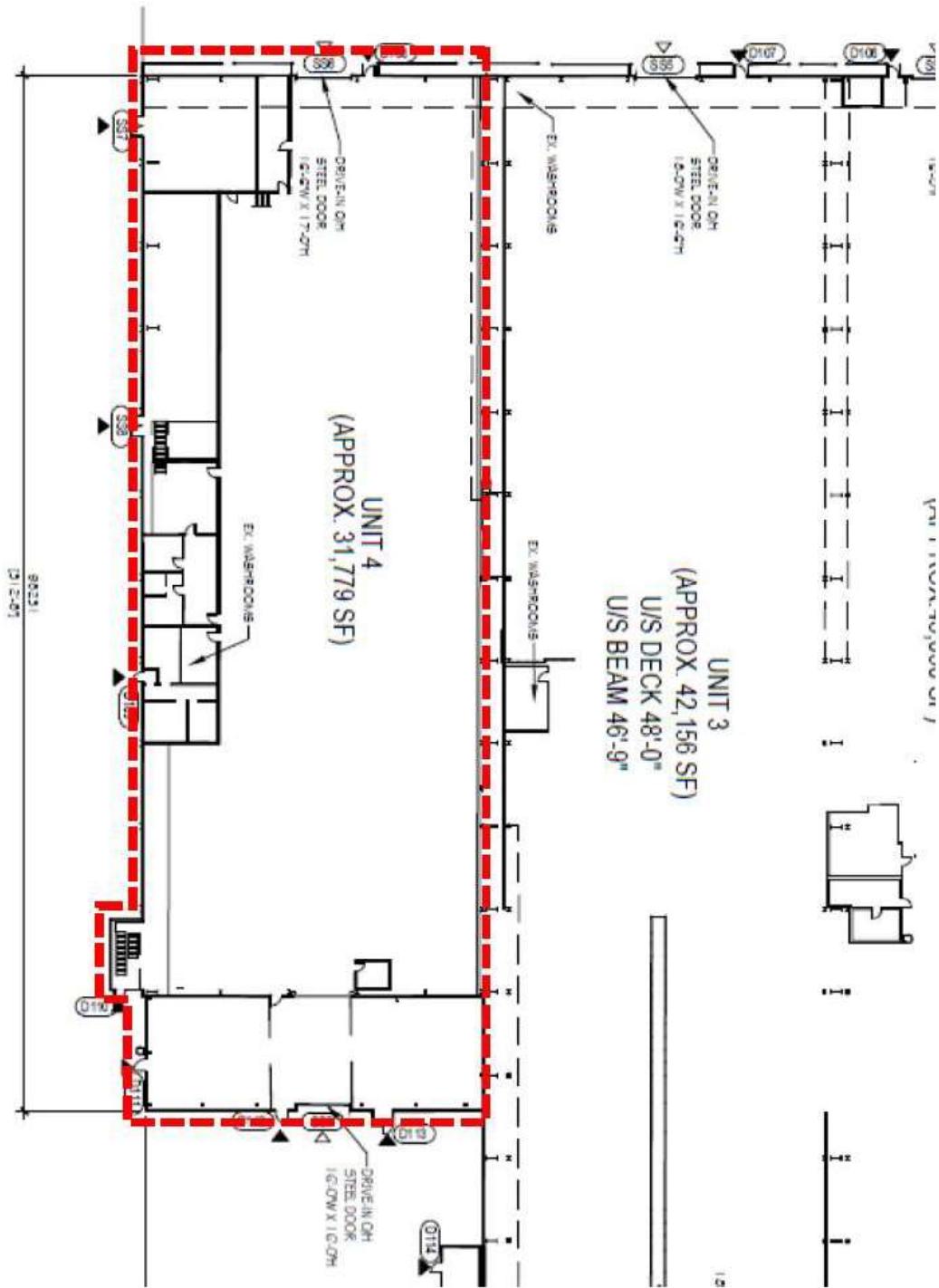
#### PIN 17575-0095 (LT)

LT 148-172, 174-195 PL 453; PT LT 239 PL 453; LT 240-263 PL 453; PT LT 264, 289 PL 453; LT 290-293 PL 453; PT LT 294, 173 PL 453; PT MANCHESTER ST PL 453 (CLOSED BY CD82270 & HL328365), PT BRADFORD ST PL 453 (CLOSED BY HL308202)& PT PLYMOUTH ST PL 453 (CLOSED BY HL308202, HL328365 & AB328687); PT LT 6 CON BF BARTON PT 11 TO 14 62R17463, PT 2 TO 9 62R17651, PT 4 TO 7 62R18384; S/T AB160388, VM279347; T/W VM279345 & T/W VM279348; SUBJECT TO AN EASEMENT OVER PARTS 19 TO 29 INCLUSIVE, PLAN 62R18877 IN FAVOUR OF PART LOT 7, BROKEN FRONT CONCESSION, BARTON & PART LOTS 322 TO 339, INCLUSIVE, PLAN 453, PART 9, PLAN 62R18870; PART LOT 7, BROKEN FRONT CONCESSION, BARTON, & PART LOTS 327 TO 341 INCLUSIVE, PLAN 453, PART 10, PLAN 62R18870; PART LOT 7, BROKEN FRONT CONCESSION, BARTON, & PART LOTS 347 TO 354 INCLUSIVE, PLAN 453, PART 11, PLAN 62R18870; PART LOTS 6 & 7, BROKEN FRONT CONCESSION, BARTON & PART OF THE ROAD ALLOWANCE BETWEEN LOTS 6 & 7, BROKEN FRONT CONCESSION, KNOWN AS GAGE AVENUE, CLOSED BY BY-LAW 3237, REGISTERED AS INSTRUMENT BL826 AND PART OF WATER LOTS IN FRONT OF LOTS 6 & 7, BROKEN FRONT CONCESSION, BARTON & PART LOTS 299 TO 332, INCLUSIVE, & PART OF TROLLEY STREET, KNOWN AS GAGE AVENUE, CLOSED BY BY-LAW 4010, REGISTERED AS INSTRUMENT BL959, PLAN 453, PART 12, PLAN 62R18870; PART LOT 7, BROKEN FRONT CONCESSION, BARTON, PART 13, PLAN 62R18870 AS IN WE726839; SUBJECT TO EASEMENT OVER PART LOT 6, BROKEN FRONT CONCESSION, PARTS 19 TO 29, INCLUSIVE, PLAN 62R18877 IN FAVOUR OF PART OF WATER LOT IN FRONT OF LOT 5, BROKEN FRONT CONCESSION, BARTON, PARTS 1, 2 & 3, PLAN 62R18870; PART OF WATER LOT IN FRONT OF LOT 5, BROKEN FRONT CONCESSION, & PART OF WATER LOT IN FRONT OF THE ROAD ALLOWANCE BETWEEN LOTS 4 & 5, BROKEN FRONT CONCESSION, BARTON, PART 4, PLAN 62R18870 & PART OF WATER LOT IN FRONT OF LOT 5, BROKEN FRONT CONCESSION, BARTON, PARTS 5 & 6, PLAN 62R18870 AS IN WE726841; S/T EASEMENT OVER PT 4 ON 62R19215 & PTS 19 TO 23 ON 62R18877 IN FAVOUR OF LTS 361 TO 368 PL 453 & PT LT 7 CON 1 BAR BEING PTS 1 TO 28 62R14181, PT RESERVE 3 SURVEY 32 & PT LT 9 CON 1 BAR & PT WATERLOT SHERMAN INLET BEING PT 1 62R2370 EXCEPT PTS 2 & 3 62R13169, PT LT 7 CON 1 BAR BEING PTS 1,2,3 62R6711 & IN AB162338 AS IN WE851698; CITY OF HAMILTON

Addresses: 1055 Burlington Street East, 1090 Burlington Street East and 530 Gage Avenue North, Hamilton, Ontario

## SCHEDULE 2

### FLOOR PLAN



## SCHEDULE 3

### DEFINITIONS

In this Lease, unless there is something in the subject matter or context inconsistent therewith:

**"Additional Rent"** means all amounts, other than Basic Rent, payable by Tenant to Landlord or any other person pursuant to this Lease, other than Rental Taxes.

**"Additional Services"** means any additional service, Utilities and/or supervision provided to Tenant upon written request by Tenant and supplied by Landlord or by anyone authorized by Landlord and not otherwise expressly provided for as a standard service under this Lease, including without limitation, adjusting and balancing HVAC Facilities (if any and if applicable), cleaning of carpets, moving furniture, installation or removal of Leasehold Improvements, providing any services outside of Normal Business Hours and access and connection to fibre optics or other enhanced information technology, unless otherwise specifically provided in Schedule 8.

**"Alterations"** means any alterations, repairs, changes, replacements, additions, installations or improvements to any part of the Premises, Leasehold Improvements or Trade Fixtures implemented or carried out by or on behalf of Tenant.

**"Applicable Law"** means all statutes, laws, by-laws, regulations, ordinances, orders and requirements of any Authority having jurisdiction, in force from time to time, including Environmental Law.

**"Architect"** means the third party and duly accredited architect, surveyor or engineer from time to time appointed by Landlord.

**"assignment"** means any transaction whereby any rights of Tenant under this Lease are transferred to anyone (whether immediately, conditionally or contingently) and includes an assignment or specific or floating charge whereby the interest of Tenant or the Premises is mortgaged or pledged as security for any indebtedness or other obligation and includes an assignment by operation of law and any change in the identity (excluding a change in name only) of the party having the right to possession or actually in possession of the Premises.

**"Authority"** means the federal, provincial, and municipal governments, the courts, administrative and quasi-judicial boards and tribunals and any other organizations or entities with the lawful authority to regulate, or having a power or right conferred at law or by or under a statute over, Landlord, Tenant, the Project or the Premises including the businesses carried on therein;

**"Backflow Preventer"** has the meaning set out in section 3.7 of this Lease.

**"Baseline Condition"** means the environmental condition of the Premises as set out in the Baseline Report.

**"Baseline Report"** means the environmental report of the Project to be obtained by Landlord and provided to Tenant in accordance with section 9.3 of this Lease.

**"Basic Information"** means the information set out in Part 1 of this Lease.

**"Basic Rent"** means the basic rent payable by Tenant pursuant to section 5.1 of this Lease.

**"Building"** means the building in the Project in which the Premises are located, together with all fixtures, sprinklers, elevators, escalators, HVAC Facilities serving the Building and mechanical and electrical equipment and machinery and water, gas, sewage, telephone and other communication facilities and electrical power services and Utilities comprised therein, belonging thereto, connected therewith or used in the operation thereof, and now or hereafter constructed, erected and installed therein and thereon, and all alterations, additions, and replacements thereto, but excludes all Leasehold Improvements made, constructed, erected or installed therein by or on behalf of Tenant and any other tenant or occupant of premises therein.

**"business day"** means a day other than a Saturday, Sunday or statutory holiday in the Province of Ontario.

**"Business Taxes"** means any business tax or assessment or any other tax, assessment, rate or levy imposed by any Authority having jurisdiction, in respect of, any business carried on, in, from or through the Premises or the whole or any part of the Building or any use, possession or occupancy of any property, premises or space in the Building.

**"Capital Tax"** means any tax or taxes payable by the Taxpayer to any taxing authority based upon or computed by reference to the value of the Lands, Building and Project or the paid-up capital or place of business of the Taxpayer, including without limitation provincial capital tax and federal large corporations tax. If the system of capital taxation shall be altered such that any new capital tax shall be levied or imposed in substitution or replacement for or in addition to Capital Tax from time to time levied or imposed, then any such new tax or levy shall be deemed to be Capital Tax or included in Capital Tax. Notwithstanding the foregoing or anything to the contrary in this Lease: (i) Landlord and Tenant acknowledge and agree that Capital Tax has been abolished and accordingly, as of the date of this Lease, there are no charges, costs or expenses in Additional Rent for Capital Tax; and (ii) unless and until Capital Tax is reinstated by the applicable Authority during the Term of this Lease and any renewals or extensions thereof, Additional Rent shall not include any charges, costs or expenses for Capital Tax.

**"Capital Tax for the Project"** if applicable, is included in Operating Costs and for any Fiscal Period means the amount calculated by multiplying the aggregate book value to the Taxpayer of the Lands, Building and Project (and all equipment used in connection therewith) by the applicable Capital Tax rate imposed, from time to time, by the taxing authority having jurisdiction. Aggregate book value shall be net of depreciation and amortization for financial statement purposes and determined as at the end of such Fiscal Period and may be imputed by Landlord (i) as if the Lands, Building and Project was the only property of Landlord, but with any applicable tax exemption allocated equitably by Landlord amongst all of its properties and/or assets, and (ii) on the basis of Landlord's determination of the amount of capital attributable to the Lands, Building and Project. The parties acknowledge that Capital Tax for the Lands, Building and Project is an approximation based upon the concept of Capital Tax, and is not necessarily the actual Capital Tax paid or payable by the Taxpayer in respect of the Lands, Building and Project. If the calculation or basis of Capital Tax changes then Landlord may adjust the calculation or basis of such amount to reasonably reflect such change.

**"change in control"** means, in the case of any corporation or partnership, the transfer, by sale, assignment, operation of law, transmission on death, mortgage, trust, issuance from treasury, cancellation or redemption, or otherwise, of any shares, voting rights or interest, which will result in a change of the identity of the person exercising, or who might exercise, effective control of such corporation or partnership whether directly or indirectly, unless such change occurs as the result of trading in shares (or an initial public offering) listed upon a recognized stock exchange.

**"Commencement Date"** is defined in section 1.7 hereof.

**"Common Areas"** means those areas, facilities, improvements, installations and equipment in or around the Project existing from time to time that: (i) are neither rented nor designated nor intended by Landlord to be rented; and (ii) are provided or designated from time to time by Landlord for use in common by Landlord, Tenant, other tenants of the Building or their sublessees, agents, employees, customers, invitees or licensees, whether or not those areas are open to the general public or to all tenants of the Project including, without limitation, entrances, lobbies, access and service corridors, stairways, indoor and outdoor walkways (both open and enclosed), indoor and outdoor landscaping and landscaped areas, the roof, passageways leading to any public walkway or other facilities or to other buildings or concourses, electrical, telephone, meter, valve, mechanical, storage and janitor rooms, shipping and receiving areas and loading docks, package or passenger pick-up areas, waste disposal or recycling facilities, parking facilities, driveways, laneways and ramps and sidewalks, and other facilities for which Landlord directly or indirectly is subject to obligations in its capacity as owner of the Project or an interest in it, and systems and facilities contained in or used in connection with such areas, all as may be altered, expanded, reduced, reconstructed or relocated from time to time.

**"Contaminant"** means any solid, liquid, organic or gaseous substance, any Hazardous Waste, any Toxic Substances, any odour, heat, sound vibration, radiation or combination of any of them the presence or Discharge of which may or that may, if Discharged, have an adverse effect on the environment or on people, property or the normal conduct of business.

**"Deposit"** has the meaning provided in section 1.10 hereof.

**"Discharge"** means any spill, release, escape, leak or movement of a Contaminant into the environment, the indoor or outdoor air, into or onto the ground, into the surface water or ground water, into the sewers or any watercourse, or into, onto or from the Premises or the Building.

**"Disclaimed"** has the meaning provided in section 5.6 hereof.

**"Environmental Assessment"** means an inspection and investigation of the Premises or other affected locations at the Project by an independent consultant approved by Landlord, acting reasonably, together with such tests, surveys and inquiries as Landlord or such consultant reasonably deems advisable in the circumstances into the use, transport, storage, disposal, handling, sale, manufacture or Discharge of any Contaminant in, on or about the Premises or the Project by Tenant, and/or into the condition or status of the Premises in relation to possible contamination by any Contaminant, and shall include the consultant's written report addressed and delivered to Landlord summarizing the nature and results of all inspections, tests, surveys and inquiries conducted, and the consultant's recommendations for any remedial or precautionary actions that are or may be required under Environmental Law in the circumstance;

**"Environmental Claim"** means all claims, losses, costs, expenses, fines, penalties, payments and/or damages (including, without limitation, all solicitors' fees on a substantial indemnity basis) relating to, arising out of, resulting from or in any way connected with the presence of any Contaminant in excess of legal limits at the Premises or the Project, including, without limitation, all costs and expenses of any remediation or restoration of the Premises, the Project and/or any property adjoining or in the vicinity of the Premises or the Project required by Environmental Law in connection therewith;

**"Environmental Law"** means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law from time to time which affect the Project, and

Landlord's or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the environment, the Premises or the Project.

**"Environmental Questionnaire"** means the environmental questionnaire attached as Schedule 7 to this Lease.

**"Fiscal Period"** means the period (not to exceed twelve (12) months) designated as such from time to time by Landlord.

**"Hazardous Waste"** means any hazardous waste, hazardous product, deleterious substance, special waste, liquid industrial waste, bio-medical waste, dangerous goods or substance which is controlled or regulated under Environmental Law. For ease of reference, this includes, but is not limited to, any waste which is composed in whole or in part of substances which are: (i) corrosive, (ii) ignitable, (iii) pathological, (iv) radioactive, (v) reactive, or (vi) toxic; and liquid waste, whether or not from a commercial or industrial process, that cannot lawfully be disposed of through the municipal sewers.

**"HVAC"** means heating, ventilating or cooling or any combination thereof.

**"HVAC Facilities"** means facilities and equipment used for or in connection with the provision and supply of HVAC, as from time to time existing.

**"Indemnifier"** includes each Indemnifier named in this Lease, if any, and its respective heirs, executors, administrators, successors and assigns, as the case may be.

**"Initial Use"** has the meaning provided in section 1.6.

**"Interest Rate"** means interest at a rate equivalent to three percent (3%) per annum in excess of the prime lending rate of a Canadian bank designated by Landlord where the prime lending rate of such bank means the rate of interest (now commonly known as that bank's "prime rate"), expressed as a rate per annum, charged by such bank in Toronto on commercial demand loans made by it in Canadian dollars at such time to its most creditworthy borrowers.

**"Landlord"** includes Landlord named in this Lease and its respective heirs, executors, administrators, successors and assigns, as the case may be.

**"Lands"** means the lands described in Schedule 1 annexed hereto as supplemented or diminished from time to time by Landlord.

**"Lease"** means this document, including the Schedules hereto annexed, as originally signed, sealed and delivered and as amended in writing between the parties, from time to time.

**"Lease Year"** in the case of the first lease year means the period beginning on the Commencement Date and terminating on the first anniversary of the last day of the month in which the Commencement Date occurs, unless the Commencement Date is the first day of a month, in which event the first lease year terminates on the expiration of the period of twelve (12) months thereafter. Each subsequent lease year commences on the first day following the expiration of the preceding lease year and terminates on the earlier of the expiration of twelve (12) months thereafter or on the expiration or sooner termination of this Lease.

**"Leasehold Improvements"** means all items generally considered to be leasehold improvements, including, without limitation, all fixtures, improvements, installations, alterations and additions from time to time made, erected or installed by or on behalf of Tenant, whether by Landlord, Tenant or any other party, or by any previous occupant of the Premises, including without limitation, any stairways for the exclusive use of Tenant, all fixed partitions, light fixtures, plumbing fixtures however affixed and whether or not movable, and all wall-to-wall carpeting other than carpeting laid over finished floors and affixed so as to be readily removable without damage, and all water, electrical, gas and sewage facilities, all HVAC Facilities exclusively serving the Premises (if any), all telephone and other communication and information technology wiring and cabling leading from the base building facilities and distribution panel to facilities located in the Premises, all cabinets, cupboards, shelving and all other items which cannot be removed without damage to the Premises; but excluding Trade Fixtures, Tenant Property, unattached or free-standing partitions and equipment not in the nature of fixtures.

**"Manager"** means the manager for the Building appointed by Landlord from time to time, if any.

**"Mortgage"** means any mortgage, charge or security instrument (including a deed of trust or mortgage securing bonds) and all extensions, renewals, modifications, consolidations and replacements of any of the foregoing which now or hereafter affect the Project or any part thereof.

**"Mortgagee"** means the mortgagee, chargee or other secured party (including a trustee for bondholders), as the case may be, who from time to time holds a Mortgage.

**"MSDS"** means the applicable material safety data sheet or product safety data sheet for a material or product which: (i) lists information relating to occupational safety and health for the use of the material or product; or (ii) catalogues information on chemicals, chemical compounds and chemical mixtures; or (iii) contains information on the potential hazards (health, fire, safety, reactivity and environmental) and how to work safely with chemicals, chemical compounds or chemical mixtures.

**"Normal Business Hours"** means the hours from 8:00 a.m. to 6:00 p.m. on Monday to Friday of each week except any statutory holiday or civic holiday in the municipality where the Building is located.

**"Operating Costs"** has the meaning provided in Schedule 5.

**"Operating Standards"** means the rules, procedures and requirements as amended and supplemented from time to time, initially as set forth in Schedule 4 to this Lease, governing the manner in which Tenant and others doing business in the Project shall operate and conduct their businesses and utilize the Premises and the Common Areas.

**"person"** means any individual, corporation, partnership, trust, other legal entity or other business association and includes a government or departmental subdivision or agency thereof.

**"Premises"** means the premises described in section 1.5 of this Lease and shall be deemed to include (except where such meaning would be clearly repugnant to the context) the space demised and all Leasehold Improvements and Alterations therein. The space demised shall consist of the area specified in section 1.5 and indicated on Schedule 2 and shall be bounded by the unfinished interior surfaces of the perimeter walls and windows, the unfinished surfaces of interior load-bearing walls, the unfinished top of the floor slab and the bottom of the ceiling structure including pipes, wires, ducts, conduits and HVAC Facilities and all mechanical, electrical and utility systems and equipment within the Premises for the exclusive use of the Premises.

"**Prepaid Rent**" has the meaning provided in section 1.11 hereof.

"**Project**" means the Lands, the Building and all other buildings, structures, and improvements from time to time erected on the Lands, together with all fixtures, sprinklers, elevators, escalators, HVAC Facilities and mechanical and electrical equipment and machinery and water, gas, sewage, telephone and other communication facilities and electrical power services and Utilities comprised therein, belonging thereto, connected therewith or used in the operation thereof, and now or hereafter constructed, erected and installed therein and thereon, and all alterations, additions, and replacements thereto, and includes the Common Areas.

"**Public Health Emergency**" means and includes an epidemic, pandemic (including without limitation, COVID-19) and other situations where, based on advice from a medical professional, or a directive, bulletin, notice or other form of communication from an Authority, persons in or entering the Lands or Building are or may be exposed to imminent danger from a disease or virus or other biological or physical agents which pose a threat to human health, and states of emergency or public health emergency declared by an Authority and affecting the City in which the Building is located.

"**Realty Taxes**" means all real estate, municipal or property taxes (including local improvement rates), levies, rates, duties, and assessments whatsoever imposed upon or in respect of any real property from time to time by any Authority, which may be levied or assessed against the Project or any part thereof, or Taxpayer due to its ownership thereof, and any and all taxes which may, in the future, be levied on the Project or any part thereof, or Taxpayer due to its ownership thereof in lieu of realty taxes or in addition thereto and the cost to Taxpayer of appealing such levies, rates, duties and assessments, together with a 15% administration fee on all such taxes and amounts. "Realty Taxes" shall not include, and Tenant shall not be required to pay: (i) any tax or amount which is personal to Landlord including, without limitation, Landlord's business taxes, place of business taxes, estate, inheritance, succession or transfer taxes, corporation taxes, income taxes or any capital taxes of Landlord; (ii) any taxes or other amounts of any kind paid or payable by Landlord in respect of premises or lands which are not in actual day to day use for the use and benefit of the Project; or (iii) any penalties, late payment, interest or other like charges imposed by any taxing or other authority as a result of Landlord's late payment of any Realty Taxes or instalments thereof (except those resulting from Tenant's late payments which Tenant shall pay).

"**Related Chemical Products**" means pre-packaged chemicals stored or utilized by Tenant at the Premises and which are directly related to Tenant's specific use of the Premises as permitted in section 1.6 of this Lease.

"**Related Corporation**" means a holding corporation, subsidiary corporation or affiliate of Tenant, as each of those terms is defined in the business corporations act or similar statute of the Province in which the Building is located.

"**Rent, rent, Rental or rental**" means all payments and charges payable by Tenant pursuant to this Lease, including without limitation the Basic Rent and the Additional Rent.

"**Rentable Area**" shall have the meaning provided in section 5.8.

"**Rental Taxes**" means any tax or duty imposed upon Landlord or Tenant on or in respect of this Lease, the payments made by Tenant hereunder or the goods and services provided by Landlord, including but not limited to the rental of the Premises and provision of administrative services to Tenant or to others whether existing at the date hereof or hereinafter imposed by any Authority, including without limitation

goods and services tax, use, consumption or value added tax, business transfer tax, retail sales tax, federal sales tax, provincial sales tax, harmonized sales tax, excise taxes or duties, or any tax similar to any of the foregoing.

**“Sublease”** means any transaction other than an assignment whereby any right of use, occupancy or possession (whether exclusive, non-exclusive, permanent or temporary) relating to the whole or any part of the Premises is conferred upon anyone (whether immediately, conditionally or contingently) and includes but is not limited to any sublease, sub-sublease, concession, franchise, licence agreement or any other arrangement (such as but not limited to a management agreement) conferring any such right of use, occupancy or possession and whether or not Tenant is a party thereto.

**“Taxpayer”** means Landlord and each of the entities constituting Landlord and each of the owners of the Building, as the case may be. In the event that Landlord or any of the entities constituting Landlord are not corporations against which Capital Taxes are eligible, including general and limited partnerships, then Taxpayer shall include any corporate owner of Landlord or any of the entities constituting Landlord required to include in computing its paid-up capital its share of the amounts that would be components of the paid-up capital of Landlord if Landlord were a corporation against which Capital Taxes are eligible.

**“Tenant”** includes Tenant named in this Lease and its respective heirs, executors, administrators, successors and assigns, as the case may be.

**“Tenant Property”** means the Trade Fixtures, Tenant’s chattels, merchandise and personal effects within the Project.

**“Tenant’s Share”** means the proportion which the Rentable Area of the Premises is of the Total Rentable Area of the Building, subject to adjustment in certain instances as provided for in this Lease.

**“Term”** means the initial term of this Lease as set out in section 1.7 hereof, as same may be extended or renewed.

**“Total Rentable Area of the Building”** means the sum of Rentable Areas for all leaseable premises (measured in accordance with the terms hereof) in the Building.

**“Toxic Substances”** means any substance which is designated to be toxic or hazardous by an Authority.

**“Trade Fixtures”** means all items generally considered to be trade fixtures, including, without limitation, any hydrogen generators and any equipment or fixtures used by Tenant in its business and which have been installed in the Premises by or on behalf of Tenant, but notwithstanding the foregoing, shall not include any Leasehold Improvements, any part of the electrical, plumbing, mechanical or sprinkler equipment or systems, the HVAC Facilities or any floor coverings, wall coverings or any part of the ceiling, whether or not installed by Tenant or Landlord.

**“Transfer”** means any assignment, sublease, change in control, or parting with possession, or any other transaction or occurrence (including an expropriation, amalgamation, receivership or seizure by execution or other legal process) which has or might have the effect of changing the identity of Tenant or the person controlling Tenant, or, changing the identity of the person having lawful use, occupancy or possession of the whole or any part of the Premises (other than a change in name only), whether such change is or might be immediate, deferred, conditional, exclusive, non-exclusive, permanent or temporary.

**"Unavoidable Delay"** means any prevention, delay, stoppage or interruption in performance due to weather conditions, strikes, lockouts, labour disputes, lack of materials or supplies, legal or regulatory impediment, a Public Health Emergency, acts of God, the occurrence of enemy or hostile action, civil commotion, fire or other casualties or conditions, or due to any other causes beyond the reasonable control of the party obligated to perform where the effects of such casualty or contingency are not avoidable by the exercise of reasonable effort or foresight by such party (but does not include insolvency, lack of funds , inability to obtain financing, or other financial contingency).

**"Utilities"** means water, gas, fuel, electricity, telephone, telecommunications, fibre optics and any other form of information technology systems and equipment, waste disposal and other utilities or services or any combination thereof other than HVAC.

**"WHMIS"** means the "Workplace Hazardous Materials Information System" hazard communications system used in Canada.

## SCHEDULE 4

### OPERATING STANDARDS

1. Tenant shall not perform any acts or carry on any practice which may injure the Common Areas or be a nuisance to any other tenants of the Project.
2. Tenant shall not burn any trash or garbage in or about the Premises or anywhere in or upon the Project. Garbage or refuse shall be placed in containers of a type approved by Landlord in writing, located inside the Premises or elsewhere in or upon the Project, subject to Landlord's prior written consent, and shall be removed only at such time or times as Landlord shall from time to time advise Tenant.
3. Tenant shall not keep or display any merchandise on, or otherwise obstruct, the exterior facilities or other areas adjacent to the Premises. Tenant shall not allow any merchandise, supplies, materials, garbage, refuse or other chattels to remain on any loading dock or Common Areas.
4. Tenant shall not overload any floor of the Premises nor shall Tenant bring upon the Premises anything which might damage the Building.
5. Tenant shall at all times keep the Premises in a clean and sanitary condition in accordance with Applicable Law, directions, order, rules and regulations of any governmental or municipal agency having jurisdiction and shall keep all doorways, entrances and exits clear at all times to ensure proper exiting in the event of fire or evacuation of the Premises.
6. At the commencement and throughout the Term, Tenant shall at its sole expense supply and install all light bulbs and tubes and maintain all necessary lighting fixtures.
7. Tenant shall not grant any concessions, licences or permission to any third parties to sell or to take orders for merchandise or services in the Premises without the prior written consent of Landlord.
8. Tenant shall not use any part of the Premises for any use which is directly or indirectly related to the warehousing, storage, production or distribution of (i) cannabis, or (ii) cannabis oil, or (iii) any product or equipment related to (i) or (ii).
9. Upon written notice from Landlord, Tenant shall within five (5) days furnish Landlord with the current provincial licence numbers of any vehicles owned or used by employees of Tenant.
10. Tenant shall not install a security alarm system ("**System**") in the Premises without the written consent of Landlord, such consent not to be unreasonably withheld or delayed. In the event Landlord gives consent for installation of a System in the Premises, Tenant shall remove such System at the expiration or earlier termination of this Lease and shall repair any damage caused by such installation or removal, all at Tenant's sole cost and expense. Landlord shall not be liable for any damages whatsoever either to such System or as a result of such System being activated as a result of Landlord's entry into the Premises pursuant to the provisions of this Lease.
11. All glass, locks and trimmings of the doors and windows in or upon the Premises and in or upon the exterior walls of the Premises shall be kept whole and whenever broken shall be immediately replaced or repaired by and at the sole cost and expense of Tenant, with glass, locks and trimmings of the same quality and under the direction and to the reasonable satisfaction of Landlord. Provided

that all repairs to or replacement of any locks shall only be done by a person specified by Landlord, subject to the foregoing provisions with respect to payment for such repairs and replacement. Tenant shall not place any additional lock, or replace any locks upon any door of the Building.

12. Tenant shall not store any equipment outside of the Premises without the prior written consent of Landlord, such consent not to be unreasonably withheld or delayed.
13. The loading and unloading of merchandise, supplies, materials, garbage, refuse and other chattels shall be made only through or by means of such doorways or corridors as Landlord shall designate in writing from time to time.
14. Tenant shall install necessary fire extinguisher and safety equipment as required by local fire department and safety standards and shall maintain such equipment in good working order during the Term.
15. No animals (other than service animals) shall be allowed in or about the Premises at any time.
16. For the benefit and welfare of all or any tenants of premises in the Project as it may exist from time to time, Landlord shall have the right to revoke or amend any rule or regulation or to issue further rules and regulations and any amended or further rules and regulations shall be binding upon Tenant, subject to the balance of the terms of this Lease and provided same are not arbitrary and do not conflict with any of the provisions of this Lease.

## SCHEDULE 5

### OPERATING COSTS

***“Operating Costs”*** means the total direct and indirect cost and expense, without duplication, incurred or accrued whether by Landlord or by others on behalf of Landlord and allocated or attributed by Landlord for each Fiscal Period designated by Landlord to the discharge of its obligations under this Lease and with respect to the ownership, administration, operation, management, maintenance, improvement, insuring, cleaning, supervision, replacement and repair of the Project.

#### A. **Inclusions**

Without limiting the generality of the foregoing, Operating Costs shall include, if provided by Landlord or by others on behalf of Landlord, without duplication and subject to Parts B (Limitations) and C (Calculations and Adjustments) listed below, all costs in respect of:

- (a) providing and maintaining security, traffic control, landscaping, gardening, snow clearing and salting and refuse removal;
- (b) heating, air conditioning and ventilating the Project and investigating and remedying air quality issues, if any;
- (c) providing hot and cold or tempered water, electricity (including lighting) and all other Utilities to all parts of the Project not otherwise paid by tenants;
- (d) window cleaning;
- (e) all insurance which Landlord is obligated or permitted to obtain under this Lease and the cost of any deductible amount paid by Landlord in connection with a claim under its insurance;
- (f) all rented or leased equipment acquired for the operation or maintenance of the Project;
- (g) accounting in connection with the Project including computations required for the imposition of charges to tenants and audit fees incurred for the determination of any costs hereunder and the reasonable costs of collecting and enforcing payment of such charges;
- (h) all equipment acquired for the operation or maintenance of the Project;
- (i) any improvement, replacement, repair or alteration whether with respect to buildings, improvements, equipment, fixtures or otherwise and whether on-site or off-site which, in the opinion of Landlord, is necessary to reduce or limit increases in Operating Costs or is required by Landlord's insurance carriers or by any changes in the laws, rules, regulations or orders of any governmental authority having jurisdiction, including those necessary to comply with energy conservation, pollution and environmental control standards and the costs of any procedures required with respect thereto, and all costs incurred in the reduction of greenhouse gas emissions with respect to the Lands and the Building and all costs incurred in the furtherance of Landlord's environmental sustainability initiatives;
- (j) intentionally deleted;

- (k) intentionally deleted;
- (l) investigating, testing, monitoring, removing, enclosing, encapsulating or abating any Contaminant which is in or about the Project or any part thereof or which has entered the environment from the Project, if Landlord is required to do so or if, in Landlord's opinion, it is actually or potentially harmful or hazardous to any person or to the Project or any part thereof or to the environment not to do so;
- (m) maintenance, repairs and replacements to or in respect of the Project including without limitation those resulting from normal wear and tear and otherwise and including those necessary with respect to the roof or any parking area or facility;
- (n) maintenance, monitoring, repairs, replacements and improvements to systems in the Project including, without limitation, the heating, ventilating, air conditioning, fire sprinkler, energy-saving, and security systems and devices, and telecommunications and information technology;
- (o) operating, improving, maintaining and repairing any common holding and receiving areas and truck docks;
- (p) the amount of all salaries, wages, fringe benefits and other contributions or expenses paid to or for the benefit of or relating to employees and others engaged either full-time or part-time in the operation or maintenance of the Project, provided that Landlord shall allocate on a reasonable basis the costs of any personnel not engaged full-time in the operation or maintenance of the Project amongst the Project and other properties served by them;
- (q) amounts paid for service contracts with independent contractors;
- (r) energy audits, conservation studies and other measures taken to conserve energy or reduce costs or liability;
- (s) renting, operating and maintaining Project signs and providing directional signage;
- (t) all other expenses of every nature incurred in connection with the maintenance and operation of the Project;
- (u) direct supervision attributable to any of the above;
- (v) Business Taxes, if any, on the Common Areas;
- (w) any contest and appeal of Realty Taxes by Landlord and the cost of Realty Taxes not otherwise payable directly by tenants of the Project;
- (x) Rental Taxes payable by Landlord on the purchase of goods and services included in Operating Costs except as excluded under Part B below;
- (y) Capital Tax for the Project solely to the extent Landlord is liable to pay same;
- (z) all costs related to the furnishing, equipping, staffing and operation of a regional or on-site administrative office serving the Project, including the fair rental value (having regard to

rentals prevailing from time to time for similar space) of space occupied by the employees or contractors of Landlord or an outside contractor for day to day management, administrative and supervisory purposes relating to the Project, and in the case of a regional office, the costs will be apportioned by Landlord amongst the buildings served by it on an equitable basis;

- (aa) all costs of preparing for and responding to a Public Health Emergency, including, without limitation, all costs of purchasing and maintaining applicable equipment and supplies, all costs of additional personnel for testing, screening and enhanced security measures, and all costs of decontamination and sanitization procedures, if any; and
- (bb) a management fee equal to 15% of the foregoing costs, including the cost of Utilities.

**B. Limitations**

In determining Operating Costs, the cost (if any) of the following shall be excluded or deducted, as the case may be, notwithstanding anything to the contrary in this Lease:

- (a) major repairs to structural components;
- (b) interest on and retirement of debt under any Mortgage;
- (c) ground rent payable to the lessor under any ground or other lease pursuant to which Landlord has an interest in the Project;
- (d) expenses relating to decorating or redecorating or renovating rentable space for tenants or occupants of the Project and costs relating to tenant inducements, allowances or similar expenses;
- (e) all leasing expenses, real estate brokers' fees, leasing commissions, advertising and space planners' fees;
- (f) repairs or maintenance done for the direct account of other tenants;
- (g) net recoveries by Landlord in respect of warranties or guarantees and insurance claims to the extent (but only to the extent) that the repair costs in respect of the work covered by such warranties or guarantees or insurance claims have been charged as Operating Costs;
- (h) the amount of any Rental Taxes paid or payable by Landlord on the purchase of goods and services included in Operating Costs which may be available to be claimed by Landlord as a credit in determining Landlord's net liability or refund on account of Rental Taxes but only to the extent the Rental Taxes are included in Operating Costs;
- (i) initial capital costs of constructing the Building or Project and any costs relating to any expansion of the Building or Project or re-constructing the Building or Project following damage or destruction of the Building or Project;
- (j) the cost of all repairs and replacements as a result of faulty construction or inferior or deficient design or materials or workmanship or inherent structural defects or weakness to the Building or Project or any part thereof;

- (k) legal fees, accountants' fees and other expenses incurred in connection with disputes of Landlord's title to or interest in the Project or any part thereof or the defence of Landlord's title to or interest in the Project or any part thereof;
- (l) costs incurred due to a violation by Landlord of the terms and conditions of this Lease and the costs incurred by Landlord resulting from a breach by Landlord of the lease of another tenant of the Project and expenses resulting directly from the negligence or willful misconduct of Landlord or those for whom Landlord is in law responsible;
- (m) any costs or expenses in excess of the amount of Landlord's environmental insurance deductible and related to the clean-up or removal of any Contaminant caused or contributed to by someone other than Tenant or those for whom Tenant is at law responsible and which is in or about the Project or any part thereof or which has entered the environment from the Project, provided the foregoing shall not relieve Tenant from its responsibilities and obligations under this Lease including, without limitation, as set out in Part 9;
- (n) any bad debt loss, rent loss, or reserves for bad debt or rent loss;
- (o) any amount in payment to a non-arm's length party for goods or services which is in excess of the amount Landlord would have paid for the goods or services if they were supplied by an arm's length party;
- (p) costs and expenses incurred in enforcing the collection of rents or any other obligations of any other tenant; and
- (q) discretionary or aesthetic capital expenditures.

C. **Calculations and Adjustments**

In computing Operating Costs and Tenant's Share thereof:

- (a) where any amount, cost or expense is to be determined, allocated, apportioned or attributed, Landlord shall act reasonably and equitably in determining and applying criteria which are relevant to doing so and Landlord may retain engineering, accounting, legal and other professional consultants to assist and advise in doing so;
- (b) if Landlord does not charge the full amount of any one or more of the foregoing costs and expenses in the Fiscal Period in which it is incurred, then any such uncharged portions may be charged in any subsequent Fiscal Periods and there shall be included interest at the Interest Rate on the uncharged portion of such costs and expenses from time to time outstanding;
- (c) any Operating Costs which are capital in nature as determined by Landlord in its discretion in accordance with generally accepted accounting principles, whether incurred before or during the Term and whether or not incurred by the party constituting Landlord at any time or its predecessor in title or interest, shall be amortized or depreciated as the case may be on a reasonable basis determined by Landlord in accordance with generally accepted accounting principles, and the amortized or depreciated, as the case may be, portion of such capital expense, together with Interest on the undepreciated or unamortized amount

- thereof, shall be included in Operating Costs for the Fiscal Period in which it is incurred and the subsequent Fiscal Periods until fully amortized or depreciated;
- (d) indirect and offsite costs attributable to the operation, repair and maintenance of the Project or incurred to reduce Operating Costs but not solely attributable to the operation, repair and maintenance of the Common Areas shall be determined and allocated by Landlord to Operating Costs acting reasonably and equitably;
  - (e) if the Project contains more buildings than the Building, Landlord may, in its sole discretion from time to time, acting reasonably and equitably, allocate Operating Costs or any portion thereof between the Building and other buildings in the Project according to Landlord's reasonable determination of the amounts of such Operating Costs attributable to each building in the Project and Tenant's Share thereof shall be adjusted accordingly;
  - (f) where Landlord determines, acting reasonably, that any item(s) of Operating Costs are provided only to or for the benefit of a portion of the Building, then Landlord shall be entitled, to allocate the cost of those item(s), on a basis consistent with the benefits derived, over such portion of the Building and to adjust Tenant's Share of Operating Costs based on such allocation;
  - (g) if the Project is comprised of different categories of leaseable premises, Landlord shall be entitled, to allocate Operating Costs among the various categories on the basis of such factors as Landlord reasonably determines to be appropriate and to adjust Tenant's Share of Operating Costs based on such allocation;
  - (h) if less than 100% of the Rentable Area of the Project is completed or occupied during any period for which a computation must be made, the amount of Operating Costs which vary with the level of occupancy of the Project will be increased by the amount of the additional costs determined by Landlord, acting reasonably, that would have been incurred had 100% of the Rentable Area of the Project been completed or occupied during that period, provided that the foregoing shall not result in Tenant's Share being greater than it would be if the Project was fully occupied and completed;
  - (i) if any facilities, services or Utilities are shared between the Project and another building or other buildings, the costs, charges and expenses of such items shall be allocated by Landlord, acting reasonably, between the Project and other building or buildings on a reasonable basis; and
  - (j) if by reason of the conduct of Tenant's business or the particular use of the Premises or any of the Common Areas by Tenant, its employees, agents or persons having business with Tenant, additional costs in the nature of Operating Costs are incurred in excess of the costs which otherwise would have been incurred, Landlord shall have the right to adjust Tenant's Share of Operating Costs to include such excess costs.

D. **Reduction or Control of Operating Costs**

Tenant shall comply with any practices or procedures that Landlord, acting reasonably, may from time to time introduce to reduce or control Operating Costs, provided same do not conflict with the provisions of

this Lease or impose any greater obligation or charge or payment on Tenant which is not expressly provided for in this Lease.

**SCHEDULE 6**  
**INTENTIONALLY DELETED**

**SCHEDULE 7**  
**ENVIRONMENTAL QUESTIONNAIRE**

**TENANT NAME:** GH Power Inc.

**BUILDING:** 1055 Burlington Street East, Hamilton, Ontario

**UNIT:** 4

**CONTACT PERSON:** •

**TELEPHONE NOS.:**      Office: \_\_\_\_\_ Residence: \_\_\_\_\_

**GENERAL INFORMATION**

- A) Describe the business activities carried on in the Premises.

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- B) Will the business activities to be carried on in the Premises entail the use of Contaminants or Hazardous Materials? If so, describe them and provide all corresponding MSDS in connection with any Contaminants or Hazardous Materials. Contaminants and Hazardous Materials used in de minimis quantities for ordinary cleaning, maintenance or office purposes shall be described but MSDS in connection therewith shall not be required.

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- C) Indicate the approximate amounts of Contaminants and Hazardous Materials which will be generated and/or handled monthly or annually, in the Premises.

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- D) How do you intend to store the Contaminants and Hazardous Materials described in C)?

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- E) How will you dispose of the Contaminants and Hazardous Materials generated in the Premises by your business and who will be the carrier?

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- F) Will the business activities to be carried on in the Premises require that you obtain any certificate of authorization, permit or environmental approval? If so, give details and attach your certificate.

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- G) Will the business activities to be carried on in the Premises entail the discharge of Contaminants and Hazardous Material in the water system or in the air?

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- H) Will pollution control equipment be required in the Premises to ensure that the discharge of Contaminants or Hazardous Materials in the water system or in the air will comply with the Environmental Legislation? If so, give details and list the standards to be met.

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- I) Will the business activities to be carried on in the Premises necessitate the installation of an underground or surface storage tank in the Premises? If so, describe in detail the tank to be installed and material to be stored.

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- J) Do you intend to have a prevention training or emergency plan in place to prevent an environmental incident? If so, give details and attach a copy of the plan and training procedure.

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Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2023

**GH POWER INC.**

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

I/We have authority to bind the corporation

## SCHEDULE 8

### SPECIAL PROVISIONS

1. **Fixturing Period (Early Occupancy)**: Tenant shall be permitted to occupy the Premises during the period (the "***Fixturing Period***") commencing on the later of (a) the date Tenant executes and delivers this Lease in a form acceptable to Landlord, and (b) the date Tenant delivers the Deposit specified in section 1.10 of this Lease, and expiring on the date immediately preceding the Commencement Date, in order to complete Tenant's Work (as defined below in paragraph 2 of this Schedule 8) and to operate its business, at Tenant's sole risk and expense. During the Fixturing Period all of the terms and conditions of this Lease, except for payment of Basic Rent, Realty Taxes and Operating Costs, shall be in full force and effect. Tenant shall reimburse Landlord for the cost of any Additional Services (if any) provided during the Fixturing Period, including the cost of any Utilities consumed in the Premises during the Fixturing Period.
2. **Tenant's Work**: Tenant's work (the "***Tenant's Work***") (to be performed by Tenant at its sole risk and cost) shall consist of constructing the Leasehold Improvements and doing all work required for Tenant's business at the Premises including, without limitation, the work specified below, all in accordance with this Lease, Landlord's criteria and standards for the Building and in accordance with plans and specifications to be submitted by Tenant in a timely fashion and approved by Landlord (such approval not to be unreasonably withheld, delayed or conditioned) before the commencement of any Tenant's Work. Prior to commencing any Tenant's Work, Tenant shall provide Landlord with an insurance certificate from its contractor's insurer in a form acceptable to Landlord confirming builder's risk and public liability coverage in an amount not less than Five Million Dollars (\$5,000,000) per occurrence and evidence that all required building and municipal permits and authorizations, if required, have been obtained.

Tenant's Work, without limitation, shall include the following:

- (a) ***Electrical Power*** Tenant will supply and install to the Premises circuits and connections sufficient to deliver electrical power to the Premises for the permitted use set out at section 1.6.
- (b) ***Gas Connections*** Tenant will supply and install to the Premises gas connections sufficient for the permitted use set out at section 1.6.
- (c) ***Information Technology*** Tenant will arrange with third parties to provide to the Building access to information technology systems and equipment sufficient for the permitted use set out at section 1.6.

3. **Option to Extend**: So long as:

- (a) this Lease has been executed and delivered by Tenant in a form acceptable to Landlord;
- (b) Tenant is not then in default and Tenant has not been in habitual default under this Lease beyond the expiry of any applicable notice and cure period provided for herein;
- (c) this Lease has not previously been terminated;

- (d) no Transfer affecting Tenant, the Premises or this Lease has occurred, other than to a Related Corporation (as set out in section 13.6 of this Lease) or a Permitted Transferee (as set out in section 13.7 of this Lease);
- (e) Tenant or a Related Corporation or a Permitted Transferee is itself in actual physical occupation of the entire Premises; and
- (f) Tenant gives to Landlord written notice of its intention to extend the Term of this Lease not more than twelve (12) months nor less than nine (9) months prior to the expiry of the Term;

then Tenant shall have the right to extend the Term of this Lease for one (1) further period of five (5) years (the "**Extension Term**") upon the same terms and conditions as contained in this Lease except as otherwise expressly provided herein and except that there shall be no further right of extension or renewal, no rent concessions, no Landlord's Work required, no fixturing period and no tenant allowance or any other amount payable by Landlord to Tenant, and annual Basic Rent for the first year of the Extension Term shall be equal to the greater of:

- (i) the annual Basic Rent payable during the last year of the initial five (5) year Term increased by an amount equal to 4% thereof; and
- (ii) the fair market annual Basic Rent for the Premises as agreed upon by the parties having regard to the finished condition of the Premises at the time of extension and having regard to then applicable basic rental levels for similar premises in similar buildings in the vicinity of the Building. The parties shall make all reasonable efforts to reach agreement as to the fair market annual Basic Rent for the first year of the Extension Term not less than three months prior to the commencement of such first year, and failing such agreement, fair market annual Basic Rent for the first year of the Extension Term shall be fixed by three (3) arbitrators, one (1) to be chosen by each of Landlord and Tenant and the third to be chosen by the two (2) arbitrators nominated by Landlord and Tenant pursuant to the provisions of the Arbitration Act (Ontario), and the decision of such Board of Arbitration shall be final and binding upon the parties and the cost of such arbitration shall be borne equally by the parties and, except as otherwise provided for herein, the provisions of such Arbitration Act shall apply. Pending the award of the Board of Arbitration, Basic Rent shall continue at the same rate as before and all necessary adjustments shall be made upon release of the award.

For each year of the Extension Term after the first year, Basic Rent shall be equal to the annual Basic Rent payable during the immediately preceding year increased by an amount equal to 4% thereof.

If Landlord so elects, Tenant shall execute Landlord's then current form of lease amending agreement to give effect to such extension of the Term.

4. **Parking:** During the Term, Tenant shall, in accordance with the Landlord's Operating Standards in effect from time to time related to parking, have the non-assignable right to use, at no additional cost to Tenant, up to a maximum of thirty (30) dedicated surface parking spaces in the parking area of the Building and as shown on Schedule 8-2 of this Lease. In the event Tenant is in default of its covenants and obligations to abide by Landlord's Operating Standards in effect from time to time related to parking, such shall be considered to be a default under this Lease and Landlord may

revoke Tenant's foregoing parking rights upon written notice, without limiting Landlord's other remedies at law and under this Lease and without affecting Tenant's other covenants and obligations under this Lease.

5. **Tenant's Signage Rights:** So long as:

- (a) this Lease has been executed and delivered by Tenant in a form acceptable to Landlord;
- (b) Tenant is not and has not been in habitual default under this Lease beyond the expiry of any applicable notice and cure period provided for herein;
- (c) this Lease has not previously been terminated; and
- (d) no Transfer affecting Tenant, the Premises or this Lease has occurred, other than to a Related Corporation (as set out in section 13.6 of this Lease) or a Permitted Transferee (as set out in section 13.7 of this Lease),

then Tenant will have the nonexclusive right to place its standard signage in one (1) location on the exterior wall of the Building (the "***Tenant's Exterior Sign***"). The exact size, location and design of the Tenant's Exterior Sign shall be subject to the approval of Landlord and Landlord's Architect, such approval not to be unreasonably withheld, conditioned or delayed. The Tenant's Exterior Sign will be installed and maintained by Tenant in compliance and in accordance with the requirements of Applicable Law. The Tenant's Exterior Sign will be removed by Tenant, and the exterior wall restored and any damage repaired, at the expiry or earlier termination of the Term. The Tenant's Exterior Sign shall be subject to the Tenant obtaining at Tenant's sole cost the prior approval of and all necessary permits from any Authority having jurisdiction. All costs associated with the Tenant's Exterior Sign including, without limitation, design installation, maintenance, insurance, repairs, replacements, electricity (if applicable), removal, restoration and repair of any damage caused by such installation or removal, shall be the Tenant's responsibility. Tenant hereby indemnifies Landlord for all costs, claims, liabilities and damages incurred in respect of or related to such signage.

6. **Roof Mounted Communication Equipment:** During the Term Tenant shall have the right, exercisable at its option, risk and expense and subject to all governmental approvals, requirements and standards, to install and maintain communication equipment on the roof of the Building, for its own use (the "***Rooftop Communication Equipment***"). Landlord will cooperate with Tenant to ensure a mutually agreeable location for the Rooftop Communication Equipment. There shall be no ongoing charge for the space required for the Rooftop Communication Equipment. The size and method of installation of the Rooftop Communication Equipment shall be subject to Landlord's prior written, such approval not to be unreasonably withheld or delayed. All work required to install the Rooftop Communication Equipment shall be performed in accordance with the terms of this Lease and by contractors acceptable to and approved by Landlord, acting reasonably. Tenant shall be solely responsible to remove the Rooftop Communication Equipment at the expiry or earlier termination of the Term and to promptly repair all damage caused by the installation, operation, repair, maintenance and removal of the Rooftop Communication Equipment. The Rooftop Communication Equipment shall not occupy more than 5% of the surface area of the roof as determined by Landlord's Architect, and shall not interfere with the operations of the Building or of Landlord or of any other tenants in the Building. Tenant is responsible at all times to comply with and keep the Rooftop Communication Equipment in accordance with the requirements of

Applicable Law and shall provide evidence to Landlord prior to installation that all necessary permits, if any, have been obtained. Tenant hereby indemnifies Landlord for all costs, claims and damages incurred in respect of or related to the Rooftop Communication Equipment.

7. **Emergency Power Generator Equipment:** During the Term, Tenant shall have the right, exercisable at its option, risk and expense, to install and maintain at its cost and expense and risks and subject to all governmental approvals, requirements and standards, diesel and/or gas emergency generator (generator will be self-contained (enclosed) and will include sound mitigation), a fuel tank, and fuel lines to supply such emergency generator, all to serve Tenant's electrical requirements (the "**Generator Equipment**"). The location of the Generator Equipment shall be as shown on Schedule 8-3 of this Lease. There shall be no ongoing charge for the space required for the Generator Equipment, or for Tenant's access to connect to such generator. All work required to install and maintain the Generator Equipment shall be performed in accordance with the terms of this Lease and by contractors acceptable and approved by Landlord, acting reasonably. Tenant shall be solely responsible to remove the Generator Equipment at the expiry or earlier termination of the Term and to promptly repair all damage caused by the installation, operation, repair, maintenance and removal of the Generator Equipment. The Generator Equipment shall not interfere with the operations of the Building or Landlord or of any other tenants in the Building. Tenant is responsible at all times to comply with and keep the Generator Equipment in accordance with the requirements of Applicable Law and shall provide evidence to Landlord prior to installation that all necessary permits, if any, have been obtained. Tenant hereby indemnifies the Landlord for all costs, claims and damages incurred in respect of or related to the Rooftop Generator Equipment.
8. **Right of Negotiation:** Provided Tenant is in possession of and conducting business in the whole of the Premises in accordance with the terms of this Lease and is not in default hereunder beyond the expiry of any applicable notice or cure period provided for herein and no Transfer affecting Tenant, the Premises or this Lease has occurred, other than to a Related Corporation (as set out in section 13.6 of this Lease) or a Permitted Transferee (as set out in section 13.7 of this Lease), then, subject to any then existing rights granted by Landlord to other tenants of the Building, Tenant shall have an ongoing right of first opportunity to negotiate with Landlord such that if at any time during of the Term (as it may be renewed or extended) any premises in the Building contiguous to the Premises (the "**Subject Space**") becomes vacant and available for lease by Landlord after the expiry or earlier termination of the first lease of such premises (it being understood that if any Subject Space is currently vacant this clause shall not apply until after the expiry of first lease of such vacant Subject Space to commence following the execution of this Lease of the Premises), as such lease of the Subject Space may be renewed or extend from time to time, Landlord shall advise Tenant of the availability of the Subject Space (a "**Subject Space Notice**"). If within five (5) business days of its receipt of a Subject Space Notice Tenant notifies Landlord in writing that it is interested in leasing the Subject Space (a "**Tenant Negotiation Notice**"), then, the parties shall enter into exclusive negotiations for the lease of the Subject Space to Tenant for a period of ten (10) business days (the "**Exclusive Negotiation Period**") from the date the Tenant Negotiation Notice was received by Landlord. If Landlord and Tenant do not enter into a binding agreement to lease the Subject Space within such Exclusive Negotiation Period, on terms acceptable to Landlord and Tenant, each in their own sole and unfettered discretion, then, Landlord shall be free to lease the Subject Space to a third party on terms that it determines, in its sole and unfettered discretion, and this provision shall automatically become null and void in respect of the Subject Space identified in the Subject Space Notice.

**SCHEDULE 8-1**  
**LOCATION OF FREE STANDING AIR-CONDITIONING UNIT(S)**



**SCHEDULE 8-2**  
**LOCATION OF TENANT'S DEDICATED PARKING SPACES**



**SCHEDULE 8-3**  
**LOCATION OF GENERATOR EQUIPMENT**

