**PRO-TENANT, STAND-ALONE COMMERCIAL LEASE**

1. Definitions

2. Construction and Fixturing of Demised Premises

3. Demise and Term

4. Rent

5. Use

6. Utilities/Repair

7. Alterations and Installations

8. Taxes

9. Operating Expenses

10. Parking and Common Areas

11. Easements—Access and Signs

12. Easements and Restrictive Covenants—General

13. Access to Demised Premises and Other Areas

14. Assignment and Subletting

15. Restrictive Covenants—Non-competition and No Build

16. Environmental Safety

17. Insurance

18. Arbitration

19. *Force Majeure*

20. Title/Subordination

21. Damage or Destruction

22. Default/Remedies

23. Holdover

24. Notices

25. Consent; Duty to Act in Good Faith

26. Compliance with Laws

27. Confidentiality

28. Interpretation

**TERMS OF INSTRUMENT—PART 2**

*[describe lease]* LEASE AT *[location]*

THIS AGREEMENT dated for reference *[month, day, year]* is made effective *[month, day, year]*

BETWEEN:

*[name of landlord]*

(the “Landlord”)

AND:

*[name of tenant]*

(the “Tenant”)

IN CONSIDERATION of the rents, covenants, and agreements of the Tenant and the Landlord in this Lease, the Tenant and the Landlord agree as follows:

**1. DEFINITIONS**

1.1 In this Lease, unless otherwise specifically provided, the Parties (herein defined) agree that the following terms have the following meanings:

1. **“Access Areas”** mean those parts of the Lands shown *[describe how they are shown e.g. “outlined in heavy black” or “labelled”]* on *[either “Reference” or “Explanatory”]* Plan No. *[insert plan number]*, a copy of which is attached to this Lease as Schedule *[insert letter or number of Schedule]*.
2. **“Additional Free Rent”** has the meaning defined in Section 2.1.
3. **“Additional Rent”** means any money payable by the Tenant to the Landlord under this Lease other than Basic Rent.
4. **“Adjustment Date”** has the meaning defined in Section 9.8.
5. **“All Items Consumer Price Index”** has the meaning defined in Section 9.9.

(f) **“Approved Transferee”** means, as the context requires:

(i) the Tenant;

(ii) an affiliate (as defined in the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, and any amendment to or substitution for it) of the Tenant;

(iii) a franchisee duly licensed by the Tenant to operate and carry on business under the name and style of the Tenant’s business;

(iv) a bona fide purchaser of all or substantially all of those stores known as *[business name of Tenant]* or such other name as the Tenant may choose from time to time within the Municipality in which the Development is situate;

(v) an entity or entities with which the Tenant has a strategic business alliance or relationship, provided the Tenant is still in occupation of and carrying on business from no less than 1/3 of the Demised Premises;

(vi) a partnership in which the Tenant is a partner;

(vii) the principal lenders of the Tenant; or

(viii) a company formed as a result of any merger or reorganization of the Tenant.

(g) ***“Arbitration Act”*** means the *Arbitration Act*, S.B.C. 2020, c. 2 and any amendments to and substitutions for it.

(h) **“Article”** means unless otherwise stated an Article in this Lease and includes all Sections.

(i) **“Basic Rent”** means the rent reserved for the Landlord and defined in Section 4.1.

(j) **“Building”** means the *[number]* story building located or to be located on the Lands and shown on Schedule A, and all alterations, additions, and relocations thereto within, upon or under the Lands.

(k) **“Building Amenities”** includes conference facilities, Wi-Fi, dining options, fitness centre, eco-friendly options (such as secure bike storage and chargers for electric cars), tenant lounge, and retail outlets.

(l) **“Business Days”** means every day of the week except Saturdays, Sundays, and statutory holidays.

(m) **“Business Facilities”** means collectively the Demised Premises, Improvements, Tenant’s Fixtures, Tenant’s Trademarks, and Tenant’s furniture, chattels, and equipment, and any part of them.

(n) **“Certificate of Occupancy”** means a document issued by a Municipality certifying that a building and/or portion of it has been satisfactorily inspected and is/are in a condition suitable for occupancy.

(o) **“Claims”** means any claims, demands, duties, actions, causes of action, damages, losses, costs, fines, penalties, interest, liabilities, and expenses, including without limitation reasonable legal fees.

(p) **“Commencement Date”** means *[number]* days after the Fixturing Commencement Date, subject to *Force Majeure* and the provisions set out in Article 19.

(q) **“Common Areas”** means all areas of the Development accessible by customers or invitees of the Tenant as of the Commencement Date; those areas of the Development designated from time to time by the Landlord as common areas; the areas approximately shown on Schedule B for the purposes described herein (including Article 10); and, the Access Areas, the Parking Area(s), and the Landscaping.

(r) **“Contamination”** means the presence or Release of any Hazardous Material contrary to or in excess of standards set by Environmental Laws.

(s) **“Delivery Date”** has the meaning defined in Section 2.1.

(t) **“Demised Premises”** means part(s) of the *[number]* story Building shown outlined in heavy black on Explanatory Plan No. *[insert number]* measured in accordance with the definition of Leasable Area of the Demised Premises, a reduced copy of which plan is attached to this Lease as Schedule A, as established at the Commencement Date or added to or removed from the Demised Premises from time to time during the Term.

(u) **“Development”** means the Lands, Building, Access Areas, Parking Area(s), Landscaping, and external Common Areas, and all buildings, erections, improvements, roads, parking lots, landscaping, signs, utilities, and services built or installed in, under, on, or to the Lands or to be built or installed as such and as generally shown in Schedule B.

(v) **“Easements”** means the easements described in Sections 10.1 *[Parking Areas and Other Common Areas]*, 11.1 *[Access Areas]*, 11.2 *[Signage Areas]* and 11.3 *[Tenant’s Trademarks]* inclusive.

(w) **“Easement Areas”** means the Access Areas, the Parking Area(s), the Signage Areas, and the other Common Areas shown on Schedule B, as per Articles 10, 11, and 12.

(x) **“Environmental Laws”** means any statute, law, regulation, order, bylaw, standard, direction, policy, interpretation, rule, code, order, guideline, permit, or other requirement or decision of any Government Authority, now or hereafter in legal force, relating in any way to the environment, human health, occupational health and safety, or transportation of dangerous goods, including principles of common law and equity.

(y) **“Environmental Liability”** means any liability (including liability for Releases or Remediation), claim, demand, obligation, cause of action, remediation cost recovery action, investigation, proceeding, order, violation, damage, loss, cost, expense, injury, settlement payment, judgment, penalty, or fine asserted by any arm’s-length third party (including, without limitation, any private party or Government Authority), arising out of, relating to, or resulting from, directly or indirectly, in whole or in part, any Contamination or Hazardous Material.

(z) **“Extension”** means an extension of the Term in accordance with Section 3.4.

(aa) **“Fair Market Annual Basic Rent”** means the fair market annual basic rent for the Demised Premises for the applicable Extension as at the commencement of it, in each case determined on the basis that such premises are unimproved (except for Landlord’s Work), vacant, and without Tenant’s Fixtures, at the relevant point in time that a tenant and a landlord would agree to such rent after negotiating at arm’s length, and based upon then-existing rents for such period for comparable building space in the Municipality, taking into account appropriate adjustments for the uses of such comparable building space (including in relation to the current uses in the Demised Premises), and the zoning thereof, where the rent for such comparable building space was negotiated on the basis of such space being vacant, unimproved, and free of trade fixtures and free rent, tenant improvements, and other similar inducements or benefits reflected in the rents for such comparable building space.

(bb) **“Fiscal Year”** means *[the Landlord’s fiscal year from time to time in effect]* *[or select another provision that gives the Landlord more flexibility]*.

(cc) **“Fixturing Commencement Date”** means that date on which the Landlord’s Work is Substantially Complete and the construction and finish of the Building is advanced to an extent sufficient that the Tenant can reasonably commence the Tenant’s Work and thereafter can proceed with and complete the Tenant’s Work without any interference arising from the conduct of the Landlord’s Work (including the full completion of the Building and the Development), and the Landlord has first given at least *[number]* days’ notice to the Tenant of such date; notwithstanding the foregoing, the Fixturing Commencement Date will not be earlier than that date certified by the Landlord’s architect to be the date of Substantial Completion for the Development (which for certainty will not include Tenant’s Fixtures, unless built or installed by the Landlord).

(dd) **“*Force Majeure*”** has the meaning defined in Article 19.

(ee) **“Free Rent”** has the meaning defined in Section 2.1.

(ff) **“GST”** means the amount equal to any and all goods and services taxes, harmonized sales taxes, value added taxes, business taxes, or any other taxes (collectively, the sales taxes) imposed with respect to Rent payable by the Tenant to the Landlord under this Lease, or in respect of the rental of space under this Lease.

(gg) **“Government Authority”** means any federal, provincial, city, municipal, county, regional, or local government or government authority, and includes any department, commission, bureau, board, administrative agency, or regulatory body of any of the foregoing.

(hh) **“Gross Leasable Area of the Development”** means the total of all parts of the Development rented or capable of being rented, including outside areas adjusting for seasonal use, whether or not rented at any point in time, measured as if each of such parts of the Development comprised the Leasable Area.

(ii) **“Hazardous Material”** means any hazardous product, contaminant, toxic or corrosive substance, deleterious substance, special waste, hazardous waste, dangerous good or reportable substance that is identified, described in, or defined as such by Environmental Laws and any other substance the storage, manufacture, disposal, treatment, generation, use, transportation, Remediation, Release into, or concentration in the environment of which is prohibited, controlled, regulated, permitted, or licensed by any Government Authority or under Environmental Laws.

(jj) **“Improvements”** has the meaning defined in Section 7.1.

(kk) **“Interest Rate”** means the rate of interest declared by the *[name of bank]* as being its prime rate or prime lending rate from time to time.

(ll) **“*Land Title Act*”** means the *Land Title Act*, R.S.B.C. 1996, c. 250, or any legislation in substitution for that Act.

(mm) **“Land Title Office”** means the applicable land title office under the *Land Title Act* where the Lands are registered.

(nn) **“Landlord’s Work”** means any and all work to be done by the Landlord in the development, construction, and finishing of the Development including the Demised Premises, the Building, the Parking Area, and the Landscaping, and without limiting the generality of the foregoing, the work set forth in Article 2 and Schedule D—Landlord’s Work

(oo) **“Lands”** means those certain parcels or tracts of land situate, lying, and being in the Municipality, in the province of British Columbia with a civic address of *[civic address]* and more particularly known and described as: *[legal description]*.

(pp) **“Landscaping”** means the landscaping of the Development, including fencing and the sprinkler and lighting systems.

(qq) **“Leasable Area”** means the area measured from the interior face of all walls, doors, and windows separating the Demised Premises from the exterior of the Building; the interior face of all walls, doors, and windows separating the Demised Premises from any and all Common Areas within the Building; and the centre line of any and all interior walls, doors, and windows separating the Demised Premises from any adjoining leased or leasable premises within the Building. The Leasable Area does not include parts of the interior space of the Demised Premises that are occupied by any projections or structures, including stairs, elevators, escalators, floor openings, windowsills, or columns, structural or non-structural, or, if any of the entrances to or windows on the Demised Premises are recessed from the line of the premises, the areas of such recesses.

(rr) **“Lease”** means this lease, including all the attached Schedules.

(ss) **“Municipality”** means *[describe municipality; for example, “Corporation of” or “City of”]*.

(tt) **“No Build Area”** means those parts of the Development shown *[describe how shown, for example, “outlined in heavy black” or “labelled”]* on *[either explanatory or reference]* Plan No. *[insert plan number]*, a copy of which is attached to this Lease as Schedule *[insert letter or number of Schedule]*.

(uu) **“Notice”** means any notice, consent, approval, or other communication required or permitted to be given under this Lease.

(vv) **“Offer to Lease”** means that certain offer to lease made by the Tenant to the Landlord to lease the Demised Premises and accepted by the Landlord on *[month, day, year]*.

(ww) **“Operating Expenses”** means, without duplication, gross-up, or profit, the following reasonable expenses incurred by the Landlord, acting as would a prudent landlord of a real estate project similar to the Development, during each Fiscal Year and charged against income in accordance with generally accepted accounting principles as distinguished from capital repairs, replacement, and Improvements, and without duplication, gross-up, or profit:

(i) the cost of non-capital repairs and maintenance to the Development (including the Lands, the Building, the Parking Area, and the Landscaping);

(ii) the Landlord’s insurance on the Development, as further defined in Section 17.2;

(iii) utilities, including gas, water, electricity, and other fuel, save to the extent they are separately metered and charged to the Tenant; and

(iv) an all-inclusive management/administrative fee equal to *[percentage]*% of the expenses noted in Sections 1.1(ww)(i), (ii), and (iii), above.

Notwithstanding the above, Operating Expenses will not include, or to the extent the following costs and expenses are included there will be deducted from the Operating Expenses, the following costs and expenses:

(v) the Landlord’s income tax, capital and corporation tax, carbon tax, speculation or vacancy tax, or similar-type taxes to the foregoing, and any other tax personal to the Landlord;

(vi) structural repairs or replacements;

(vii) depreciation, amortization, or interest;

(viii) ground rentals, mortgage payments, or mortgage interest payments;

(ix) rent collection fees, any expenses or costs related to curing the defaults of other tenants in the Development, legal costs or fees, and audit costs or fees; however, general audit fees under $*[1,500]* will be permitted as Operating Expenses;

(x) any part of the original construction cost of the Development and/or any construction of any future expansion or remodeling of the Development;

(xi) any part of the Landlord’s contribution, if any, to any merchants’ association or promotion fund;

(xii) any and all costs and expenses relating to the premises of any tenants who at any time do not contribute to Operating Expenses;

(xiii) any and all management and/or administration costs or fees, whether to arm’s-length or non-arm’s-length companies, including, but not limited to, leasing fees, office rent, web page charges, fixtures to and maintenance of an office, office equipment, travel expenses, telephone/communication, courier fees, professional dues, and the expenses and costs relating to salaried office personnel and property manager, excluding cleaning and maintenance staff *[if fee agreed to in Section 1.1(ww)(iv) above, then add, “other than the management/administrative fee set out in Section 1.1(ww)(iv) above”]*;

(xiv) costs unique to another tenant or relating to vacant premises or primarily for the specific benefit and use of a group of tenants such as office tenants, condominium owners, and residential tenants;

(xv) in addition to Section 1.1(ww)(xiv), costs and expenses of repairing, maintaining, cleaning, and replacing Common Areas and equipment and facilities located therein and in the Development not for the direct benefit of the Tenant and its invitees and customers having business with the Tenant (for example, elevators and escalators not located in the Building);

(xvi) capital repairs and replacements, including but not limited to, the replacements of HVAC parts, roof (including roof membrane) repairs or replacement, and installation of energy conservation equipment systems;

(xvii) rent on Common Areas, storage areas (unless specifically agreed to between the Landlord and Tenant), and mechanical/service rooms or areas;

(xviii) any deductibles payable pursuant to the Landlord’s insurance policies; and

(xix) strata fees or similar type charges and costs.

And there will be deducted from Operating Expenses any and all revenue received by the Landlord from charges, if any, for the use of the Parking Area or other revenue derived by the Landlord from the Common Areas.

(xx) **“Operating Expenses Cap”** has the meaning defined in Section 9.8.

(yy) **“Parking Area(s)”** means those parts of the Lands shown *[describe how shown, for example, “outlined in heavy black” or “labelled”]* on *[either explanatory or reference]* Plan No. *[insert plan number]*, a copy of which is attached to this Lease as Schedule *[insert letter or number of Schedule]*.

(zz) **“Parties”** means the parties to this Lease and **“Party”** means any one of them.

(aaa) **“Permitted Encumbrances”** means:

(i) all the rights reserved to or vested or deemed to be reserved or vested in any government or public authority pursuant to the Crown grant applicable to the Lands or pursuant to any applicable statutory provision; and

(ii) those specific legal notations, charges, liens, and interests noted and/or registered against title to the Lands as of the date of the Offer to Lease, namely: *[insert specific notations, liens, charges, and interests on title to the Lands that will be permitted encumbrances]*.

(bbb) **“Release”** and **“Releases”** means the deposit, escape, seepage, leakage, spillage, discharge, disposal, emission, leaching, or migration or any other means by which any Hazardous Material may be introduced into or travel through the environment.

(ccc) **“Remediation”** or **“Remediate”** means the measures required to remove, clean up, remedy, manage, mitigate, or eliminate Contamination, or any adverse effects on the environment (including human health) of Contamination, to the applicable standards set by and in accordance with Environmental Laws or such other standard set by this Lease.

(ddd) **“Rent”** means any or all of the Additional Rent and Basic Rent as the context requires.

(eee) **“Rent-Free Period”** or **“Rent-Free Periods”** means as the context requires the period or periods of time described in Section 4.2 during which Basic Rent is not payable by the Tenant.

(fff) **“Repair Period”** has the meaning defined in Section 21.1.

(ggg) **“Reserved Parking Area”** means the *[number]* parking spaces cross-hatched on Schedule B and reserved by the Landlord for the Tenant’s exclusive use.

(hhh) **“Restrictive Covenants”** means the Restrictive Covenants described in Article 15 *[Restrictive Covenants—Non-competition and No Build]* of this Lease.

(iii) **“Schedule”** means, unless otherwise stated, a schedule attached to this Lease.

(jjj) **“Signage Areas”** means those parts of the Lands *[describe how shown, e.g., “outlined in heavy black” or “labelled”]* on *[either explanatory or reference]* Plan No. *[insert plan number]*; a copy of which is attached to this Lease as Schedule *[insert letter or number of Schedule]*.

(kkk) **“Substantial Completion”** and **“Substantially Complete”** means, notwithstanding the Tenant’s possession of the Demised Premises, that:

(i) the Landlord’s Work has been completed with the exception of minor punch-list items that can be fully completed before the completion of the Tenant’s Work without material interference with the Tenant or the Tenant’s Work; and

(ii) if applicable, a Certificate of Occupancy or similar document has been unconditionally issued for the Landlord’s Work by the Municipality.

(lll) **“Taxes”** means all taxes, rates, and assessments, whether general or specially levied or assessed by the Municipality for municipal, school, or other purposes, or levied or assessed by other lawful Government Authority for such purposes, payable by the Landlord in respect of the Lands and Development and immovable accessories, but does not include carbon taxes, speculation or vacancy taxes, and does not include taxes on the Landlord’s income or capital, including provincial capital tax and federal large corporation capital tax assessed against the Landlord, the whole as finally determined for each applicable period of time as a result of an assessment, appeal, or judicial review.

(mmm) **“Tenant’s Fixtures”** has the meaning defined in Section 7.3.

(nnn) **“Tenant’s Plans and Specifications”** means any designs, plans, drawings, and specifications for the construction of the Demised Premises including the Improvements, Tenant’s Work, Tenant’s Fixtures, and the Tenant’s furniture and equipment.

(ooo) **“Tenant’s Proportionate Share”** means that fraction, the numerator of which is the Leasable Area of the Demised Premises and the denominator of which is the Gross Leasable Area of the Development.

(ppp) **“Tenant’s Taxes”** means all taxes, licences, rates, duties, and assessments imposed or levied by a lawful Government Authority covering any period during the Term and relating to or in respect of the business of the Tenant, or relating to or in respect of personal property and all business and trade fixtures, machinery and equipment, cabinet work, furniture, and movable partitions owned or installed by the Tenant at the expense of the Tenant or being the property of the Tenant, or relating to or in respect of Improvements to the Demised Premises built, made, or installed by the Tenant or at the Tenant’s request, whether any such Tenant’s Taxes are payable by law by the Tenant or by the Landlord and whether such Tenant’s Taxes are included by the taxing authority in the taxes, licences, rates, duties, and assessments imposed or levied on or with respect to the Lands and the Building, except there will be no duplication with Taxes.

(qqq) **“Tenant’s Trademarks”** means those trademarks, trade names, and distinctive features and designs and other intellectual property used in connection with and known and identified with the businesses presently or in the future operated or conducted by the Tenant.

(rrr) **“Tenant’s Work”** means the Improvements and other Tenant’s improvements, and the fixturing, and furniture, machinery, and equipment, all as necessary and required to be made and installed in and to the Building in order for the Tenant to open for business to the public as a *[describe store]* store and without limiting the generality of the foregoing the work, plans, and specifications described in Schedule D.

(sss) **“Term”** has the meaning defined in Section 3.2 and includes each Extension, if any.

(ttt) **“Termination Date”** has the meaning defined in Section 2.1.

(uuu) **“Transfer”** means an assignment of this Lease, in whole or in part, or a sublease of the Demised Premises, in whole or in part, or the grant of a licence of occupation of part of the Demised Premises.

(vvv) **“Transferee”** means a party to which a Transfer is made.

(www) **“Year of the Term”** means in the case of the first Year of the Term, that period of time beginning on the Commencement Date and ending at 11:59 p.m. on that day that is a full 12 consecutive months thereafter, and each subsequent Year of the Term will be calculated and determined in the same manner. Unless the contrary intention is specified in this Lease, each year in this Lease will be calculated in the manner described in the foregoing sentence.

1.2 The Schedules to this Lease form part of it, and are as follows:

Schedule A—Plan of Demised Premises

Schedule B—Plans and Specifications of the *[name]* Development including Common Areas, Access Areas, Parking Area(s), and Landscaping

Schedules C *[1 to #]*—*[Insert, as applicable, survey or sketch for plans of Access Areas, Parking Areas, Signage Areas, and No Build Area]*

Schedule D—Landlord’s Work and Tenant’s Work

**2. CONSTRUCTION AND FIXTURING OF DEMISED PREMISES**

2.1 The Landlord will start the Landlord’s Work, including construction of the Building, on approximately *[month, day, year]* and will Substantially Complete (as defined in Section 1.1) the Landlord’s Work, including the Building, no later than *[month, day, year]* (the **“Delivery Date”**). Commencement of construction means the beginning of site work on the Lands (that is, placement of footings and pouring of foundation) and proceeding with the Landlord’s Work diligently thereafter. In the event that such construction has not commenced by *[month, day, year]*, then in addition to any other rights and remedies the Tenant might have, the Tenant will have the right to terminate this Lease.

If the Landlord’s Work is not Substantially Complete by the Delivery Date in accordance with the provisions of this Article 2, the Tenant will receive *[number]* days’ free Rent for each day beyond the Delivery Date until the Landlord’s Work is Substantially Complete. This free Rent (the **“Free Rent”** for late delivery) is to be in addition to any other free Rent for which the Tenant is eligible. If the Landlord does not Substantially Complete the Landlord’s Work by *[month, day, year]* (the **“Termination Date”**) for any reason whatsoever (including but not limited to events of *Force Majeure*), then in addition to any other rights and remedies the Tenant might have (including those set out in Article 19), the Tenant will have a further right to terminate this Lease and receive a refund of any and all amounts previously paid by the Tenant to the Landlord, or the Tenant may continue to accrue free Rent (the **“Additional Free Rent”** for late delivery) at the rate of *[number]* days’ Additional Free Rent for each day after the Termination Date, until the Landlord’s Work is Substantially Complete.

2.2 The Landlord will totally complete and fully finish the Development (except the Building which will be finished in accordance with Section 2.1 above) within *[number]* days following the Fixturing Commencement Date, including the Parking Area and the Landscaping, in a good and workerlike manner and in accordance with the plans and specifications listed in Schedule B. If the Landlord does not fully complete the Development within *[number]* days following the Fixturing Commencement Date, then, in addition to the rights of the Tenant set out in Section 2.1, Rent will abate until the Development has been totally completed.

2.3 The Landlord will within *[30]* days after the execution and delivery of this Lease prepare and send to the Tenant a construction schedule setting out in detail the timetable of when each part or stage of the Development is to be completed including the Landlord’s Work. In addition, the Landlord will send to the Tenant written periodic updates on the status of the construction (the frequency to be determined by the Tenant acting reasonably) including the dates when each part or stage of the Development is to be completed.

2.4 The Landlord agrees (unless otherwise provided in Schedule D), at the Landlord’s expense and at no cost or expense to the Tenant, to perform the Landlord’s Work in a good and workerlike manner in the construction of the Development, including the Building, substantially in accordance with plans and specifications attached as Schedule D. The Landlord will cause all of the Landlord’s Work to meet all provincial and municipal laws, regulations, and bylaws, including, without limiting the generality of the foregoing, current construction and safety codes and bylaws and Environmental Laws and regulations for the uses and purposes intended to be carried on by the Tenant, on the Demised Premises and in the Building. Without limiting the foregoing, the Landlord will use first-quality new materials in compliance with all applicable laws, regulations, bylaws, codes, rules, and statutes.

2.5 The Landlord agrees to obtain and maintain, at the Landlord’s expense, property loss and commercial general liability insurance and, if not provided by the province of British Columbia, workers’ compensation insurance adequate to fully protect the Tenant as well as the Landlord from and against any and all liability for death or injury to any person, or damage to property by reason of construction of the Landlord’s Work. The Tenant agrees to obtain and maintain, at the Tenant’s expense, property loss and commercial general liability insurance and, if not provided by the province of British Columbia, workers’ compensation insurance adequate to fully protect the Landlord as well as the Tenant from and against any and all liability for death or injury to any person, or damage to property, by reason of the construction of the Tenant’s Work.

2.6 Notwithstanding anything contained in this Lease to the contrary, if the Landlord fails to complete any of the Landlord’s Work, including the Parking Area, and as a result thereof the Tenant is unable to obtain a Certificate of Occupancy, if applicable, the Tenant will have the right, but not the obligation, to perform such work and deduct the amounts incurred against the next ensuing Rent payments (following abatement of Rent) and there will be an abatement of all Rent and other charges payable as Rent or a deferral of the Rent Periods, if applicable, until that necessary work is completed.

2.7 The Landlord agrees to provide the Tenant with a cash allowance of $*[amount]* per square foot of the Leasable Area (or $*[amount]* in total) exclusive of GST, for the purpose of carrying out the Tenant’s Work. The Landlord agrees that the allowance will be due and payable within *[10]* days following the substantial completion of the Tenant’s Work, and the Tenant furnishing the Landlord with evidence satisfactory to the Landlord, acting reasonably, that the holdback period referred to in the applicable lien legislation has expired.

2.8 Starting on the Fixturing Commencement Date, but subject to events of *Force Majeure*, the Tenant agrees (unless otherwise provided in Schedule D), at the Tenant’s expense and at no cost or expense to the Landlord, to perform the Tenant’s Work in a good and workerlike manner substantially in accordance with plans and specifications attached as Schedule D. The Tenant will cause the Tenant’s Work to meet all applicable provincial and municipal laws, regulations, and bylaws, including without limiting the generality of the foregoing, current applicable construction and safety codes and bylaws and Environmental Laws and regulations for the uses and purposes intended to be carried on by the Tenant, on the Demised Premises and in the Building. Without limiting the foregoing, the Tenant will use quality materials in compliance with all applicable laws, regulations, bylaws, codes, rules, and statutes.

2.9 The Tenant may, at its expense, after receipt of all required Government Authority approvals, erect:

(a) fascia signs above the window area on the outside of the Building;

(b) internal posters and graphics within the Building and on internal and external glassed areas;

(c) a separate free-standing sign within the Signage Area(s) in the location shown on Schedule C;

(d) neon and other types of window displays and signs;

(e) lighted or non‑lighted awnings or canopies above windows on the outside of the Building;

(f) directional signage to direct pedestrians from *[location]* to the Demised Premises, to be located on the *[location]* or on a convenient location nearby; and

(g) any other signage permitted by the Municipality.

The Landlord at its cost and expense will install and provide all wiring for exterior lighting and signage. The Tenant reserves the right to change its signage at any time. If there is an existing pylon sign, the Tenant will be entitled to use *[insert details; e.g., the top six feet of]* the sign for its advertising purposes.

2.10 The Landlord at its cost and expense will install and provide all necessary and required conduit, ducts, and principal communications cable and wiring (including fibre) to the Demised Premises for Tenant’s telecommunications needs.

2.11 The Landlord’s Work will only be Substantially Complete or totally complete, as the case may be, with respect to either the whole Development or any particular stage of the Development, including the Building and the Demised Premises, when such stage or degree of completion is certified in writing by both the Landlord’s architect and the Tenant’s project manager or architect.

2.12 Any disagreements or disputes that may arise between the Landlord and the Tenant concerning the Landlord’s Work or the Tenant’s Work will be submitted to an independent architect, mutually agreed upon by the Landlord and the Tenant, whose determination will be final and binding in resolving such dispute.

2.13 Upon Substantial Completion of the Landlord’s Work, the Landlord warrants and represents that the Demised Premises will be fit for the purposes of accommodating the Tenant’s Work and, for the purposes of carrying on the business described in Section 5.1.

2.14 For purposes of the Tenant carrying out its Tenant’s Work, including fixturing and all activities necessary and incidental to constructing Improvements in the Demised Premises and preparing such premises for opening business, the Landlord grants to the Tenant, at no cost or expense to the Tenant and without Rent commencing, for the benefit of the Tenant and its contractors, subcontractors, suppliers, and agents, an irrevocable licence to enter the Lands and use the Demised Premises and any required parts of the Development, at all times during the period of time commencing on the Fixturing Commencement Date.

2.15 If the Demised Premises are ready for carrying on business before the Commencement Date, the Tenant will, without Rent commencing, have the right and licence (but not the obligation) to open for business to the public, notwithstanding that the Term has not commenced.

**3. DEMISE AND TERM**

3.1 The Landlord hereby demises and leases the Demised Premises to the Tenant to have and to hold for and during the Term and upon and subject to the covenants and conditions in this Lease, and the Tenant accepts this Lease of the Demised Premises subject to the terms and conditions herein provided.

3.2 The term (the “Term”) of this Lease will be *[describe term]* to be computed from the Commencement Date.

3.3 On or before the Commencement Date, the Landlord will, at the Landlord’s cost, cause the Leasable Area of the Demised Premises to be determined in accordance with the definition in Section 1.1(qq) by a qualified British Columbia Land Surveyor, including production of a certificate certifying the Leasable Area and that the said area has been calculated in accordance with the provisions of this Lease.

3.4 The Tenant will have the *[number]* option*[s]* to extend the Term for further periods of *[number]* years each (each such extension of the term to be described as an **“Extension”**), provided that written notice is given to the Landlord at least *[three]* months before the expiry of the Term or any Extension; and each Extension will be on the same terms and conditions as contained in this Lease including all rights that may be considered personal to the Tenant or the Landlord, except that:

(a) there will be no further right to extend the Term after the last Extension; and

(b) the Basic Rent during each Extension will be the Fair Market Annual Basic Rent determined in accordance with the procedure specified in Section 4.3 or Section 4.4, as the case may be.

3.5 The Tenant will have the absolute right to terminate this Lease and surrender the Demised Premises or to partially surrender the Demised Premises in accordance with Sections 19.6(d) and (i). In the event of the Tenant delivering to the Landlord either a full surrender of this Lease or a partial surrender of the Demised Premises in accordance with Sections 19.6(d) or (i), the Landlord agrees, at the Tenant’s cost and expense, including the cost of preparation of any required plans, to accept the said surrender or partial surrender, as the case may be, and cooperate with Tenant in effecting registration at the Land Title Office.

**4. RENT**

4.1 Basic Rent during the Term, subject to the Rent-Free Periods and the provisions of this Lease respecting Free Rent and Additional Free Rent, will be as follows:

*[insert rent table]*.

4.2 The Landlord agrees with the Tenant that there will be no Basic Rent payable by the Tenant to the Landlord during the following periods of time *[describe times; note that no Rent should be payable on the period starting on the Fixturing Commencement Date and ending on the Commencement Date]* and any periods of time the Tenant is entitled to Free Rent and Additional Free Rent under this Lease (collectively, the **“Rent-Free Period”** or the **“Rent-Free Periods”**). During the Rent-Free Periods, the Tenant will be responsible for and will pay only Additional Rent.

4.3 If, pursuant to Section 3.4, the Tenant gives to the Landlord a notice to extend the Term, the Basic Rent for the Extension will be the Fair Market Annual Basic Rent within the required time. The Landlord will deliver in writing to the Tenant, any time up to *[two]* months before the end of the Term of this Lease or the prior Extension, as the case may be, the Landlord’s determination of the Fair Market Annual Basic Rent for the Extension.

4.4 If the Tenant does not agree with the Landlord’s determination of Fair Market Annual Basic Rent or the Landlord fails to deliver a determination of Fair Market Annual Basic Rent within the required time as specified, the Tenant will have the right, within *[30]* days after receipt by the Tenant of the Landlord’s determination of the Fair Market Annual Basic Rent for the Extension, or, failing receipt of such determination of Fair Market Annual Basic Rent within the required time as specified, at any time before the end of the Term or prior Extension, as the case may be, either to accept the Landlord’s determination of Fair Market Annual Basic Rent or to refer the determination of Fair Market Annual Basic Rent to arbitration under Article 18.

4.5 While the Parties are determining the Fair Market Annual Basic Rent for the next Extension in question, the Tenant will continue to pay Basic Rent at the rate payable in the year of the Term immediately preceding the Extension on a per diem basis.

4.6 Notwithstanding any other provisions to the contrary in this Lease, the Tenant will have the right at any time to offset and deduct from Basic Rent and Additional Rent any monies owed at any time or from time to time by the Landlord to the Tenant.

4.7 The Tenant covenants to pay, to the Landlord, Rent and hereby agrees that, subject to Section 4.6, all payments by the Tenant to the Landlord of whatsoever nature required or contemplated by this Lease will be:

(a) paid by cheque payable to the Landlord in lawful currency of Canada or, should the Tenant elect (in its sole discretion), by electronic banking deposit to the Landlord’s account and not by electronic withdrawal from the Tenant’s account;

(b) made when due under this Lease, without prior demand (except as provided for in Article 22, in the event of default), and, unless by electronic banking deposit to the Landlord’s account, at the office of the Landlord set out in Article 24, or at such place as the Landlord may designate in writing from time to time to the Tenant; and

(c) deemed to be Rent, in consideration for which this Lease has been entered into, and will be payable and recoverable as Rent, such that the Landlord will have all rights and remedies against the Tenant for default in making any such payment that may not be expressly designated as Rent as the Landlord has for default in payment of Rent.

4.8 The Tenant will from time to time at the request of the Landlord produce to the Landlord satisfactory evidence of the due payment by the Tenant of all payments required to be made by the Tenant under this Lease.

**5. USE**

5.1 The Demised Premises will be used and occupied for purposes and uses of *[describe use]* including the sale, supply, service, rental, and/or distribution of *[describe product or service]* and for any and all uses incidental and necessary to those purposes; and for any other lawful use that, at the commencement of such use, is not in violation of an exclusive use restriction in the Development. In the operation of its business from the Demised Premises, the Tenant may use the name *[name]* or such other name or names as the Tenant is at such time using for its business.

5.2 The Landlord covenants and agrees that, as further provided in Section 15.1(a), during the Term and any Extension, the Tenant will have the exclusive right to use the Demised Premises for the purposes and uses described in Section 5.1. The Landlord agrees to enforce this exclusive right against other tenants in the Development using all reasonable legal means *[delete if not applicable, e.g., office use only]*.

5.3 The Landlord covenants and agrees that the Development will during the Term and any Extension remain retail in character, and, further, no part of same except for the Demised Premises will be used as *[describe use]* *[delete if not applicable, e.g., office use only]*.

5.4 The Landlord represents and warrants to the Tenant that, as of the date of execution and delivery of this Lease:

(a) there are no provisions of any municipal bylaws, statutes, rules, or regulations of any Government Authority having jurisdiction that would prevent the construction of the Building, and lawful access for vehicular traffic is permitted to and from adjacent public streets substantially in the locations as constructed; and

(b) the Demised Premises may be lawfully used for the purposes described in Section 5.1,

and agrees throughout the Term, using reasonable commercial efforts, to oppose any Government Authority action or process that would have the effect of causing the above described representations and warranties not to be true. Should this representation and warranty be untrue, then upon *[30]* days’ notice, the Tenant will have the right to terminate this Lease.

5.5 It is understood and agreed that the Tenant will not be under any obligation to remain open or to continuously operate, at all times, from the Demised Premises.

**6. UTILITIES/REPAIR**

6.1 During the time, the Tenant agrees with the Landlord:

(a) to pay the cost of gas, electricity, water, and other utilities consumed or used on the Demised Premises that are not included in Operating Expenses;

(b) to clean, repair, and maintain:

(i) the interior of the Demised Premises, including without limitation all plant, equipment, machinery, and trade fixtures in them, and the windows of the Demised Premises, but not the exterior cleaning of such windows; and

(ii) the entrance and exit doors of the Demised Premises and the exterior of the Building beside all such entrance and exit doors *[if Demised Premises are not stand alone retail, then delete]*,

except those items and matters to be cleaned, repaired, maintained, and replaced by the Landlord, and except:

(iii) reasonable wear and tear;

(iv) damage by fire, lightning, tempest, flood, explosion, collision through the air, and other perils for which the Landlord is obliged to insure, and acts of God;

(v) damage or repair made necessary by the negligence of the Landlord, its servants, agents, and contractors, or those for whom the Landlord is responsible in law;

(vi) structural defects and constructions defects arising from the Landlord’s Work or otherwise, including latent defects as well as items under warranty; and

(vii) repairs or alterations required by any Government Authority, except repairs or alterations with respect to the Tenant’s Fixtures;

(c) that the Landlord may, subject to complying with Article 13, upon reasonable notice, enter the Demised Premises and view the state of repair, and that the Tenant will repair in accordance with the direction of the Landlord, except as otherwise agreed to in this Lease;

(d) that the Tenant will leave the Demised Premises in good repair, except reasonable wear and tear and as otherwise agreed in this Lease;

(e) not to do or permit any act or neglect that may in any manner directly or indirectly cause injury to the Demised Premises or to the Building or to any fixtures or appurtenances on them;

(f) not to do or permit any act or neglect that may be or become a nuisance; provided however that the Landlord acknowledges and agrees that the use of the Demised Premises in accordance with the provisions of this Lease will be deemed as between the Landlord and the Tenant not to be a nuisance;

(g) to keep the areas of the Development immediately adjacent to the Demised Premises free of any rubbish and debris originating from the Demised Premises; and

(h) to pay for all separately metered utilities used in the Demised Premises during the Term. The obligation of the Tenant to pay for utilities will extend to, but not be limited to, payment of heat, gas, water, sewer, power, and telephone used in the Demised Premises. The Landlord will pay for the installation of said meters.

6.2 The Landlord covenants and agrees with the Tenant at no cost to the Tenant:

(a) to maintain, clean, operate, upkeep, repair, and replace the Development, including the Demised Premises (except as required of the Tenant under this Lease), in accordance with all applicable laws and requirements and to the standard from time to time prevailing for a first-class development in the Municipality similar to the Development;

(b) to maintain, repair, and replace all pipes, cables, wires, ducts, and conduits located in and on the Lands and for purposes of transmitting and carrying electricity, water, gas, and telephone, data, and other communication facilities to and from the Demised Premises and for purposes of removing all waste materials, including sanitary and storm sewers; provided however that the Landlord’s obligations under this Section will be limited to installing, maintaining, repairing, and replacing such facilities and services at a central location or locations, as the case may be, in accordance with the Landlord’s Work;

(c) in accordance with the standard described in Section 6.2(a), and without limiting its general obligations in Section 6.2(a), to repair, maintain, and replace the exterior faces, the structural elements and components, the roof and roof membrane, the foundations, and the drainage systems of the Building, bearing structures, subfloors, and roof structures and supports of the Building and of the exterior of the Building, including the exterior walls, roof, chimneys, skylights, gutters, and downspouts, and all needed repairs of and replacements to the heating, ventilating, and cooling equipment, wiring, plumbing, and sprinkler systems in the Building, and the sidewalk and landscaping adjacent to the Building, except as required of the Tenant under this Lease, and except for repairs and replacements that are made necessary by the negligence of the Tenant or its servants, agents, or employees, or that are the Tenant’s responsibility;

(d) without limiting Section 6.2(a) above, to clean the exterior of all windows of the Demised Premises from time to time; and

(e) to pay to the Tenant upon demand the Tenant’s cost of maintaining and repairing all broken or damaged windows, including plate glass, and to place and maintain throughout the Term plate glass insurance in the joint names of the Landlord and the Tenant, as to their respective interests, in such form and on such terms and conditions as will be approved by the Tenant acting reasonably, and the obligation to maintain and effect such plate glass insurance will remain so long as the Tenant reimburses the Landlord for the premium of such insurance.

6.3 If the Tenant requires telecommunications services from specific telecommunications service providers, the Landlord agrees, at no charge to the Tenant, to grant such telecommunication service providers access into the Development and to allow them use of facilities available for installation and operation of telecommunications equipment, including ducts and conduits and space in risers, and in terminal, telephone, electrical, mechanical, and similar equipment rooms and spaces.

6.4 The Landlord agrees not to do or permit any act or neglect that may in any manner directly or indirectly cause injury to the Demised Premises or to any fixtures or appurtenances of the Demised Premises or that may be or become a nuisance or interfere with the use of the Demised Premises by the Tenant.

*[If the use is retail or if the Demised Premises are in a mixed use with retail, include the following; if not, consider modifying or deleting this paragraph:]*

6.5 The Landlord represents and warrants that the electrical capacity and other utilities serving the Demised Premises, and any other facilities such as the pylon sign, are sufficient for the Tenant’s requirements.

6.6 The Landlord covenants with the Tenant to ensure that throughout the Term the Demised Premises will have a well-maintained, well-balanced, and properly running heating, ventilation, and air conditioning (HVAC) system, to provide the Tenant with a high standard of indoor air quality. This obligation will be in addition to and not in substitution of any of the provisions set out in Schedule D.

**7. ALTERATIONS AND INSTALLATIONS**

7.1 The Tenant will be entitled from time to time during the Term to make alterations, installations, removals, additions, or improvements (individually and collectively called **“Improvements”**) in or about the Demised Premises without the Landlord’s prior written consent as long as the Improvements:

(a) do not affect any structural or foundation elements of the Building;

(b) do not affect the roof or the exterior of the Building;

(c) meet or exceed the standards of materials and construction employed in the original construction of the Building and the Tenant’s Work; and

(d) comply with all applicable laws, including without limitation the applicable building code and bylaws of the Municipality,

and provided that, if requested by the Landlord, the Tenant will submit to the Landlord copies of any required building permits issued by the Municipality and copies of any required building inspections by the Municipality following substantial completion of construction. For all other Improvements, before making the Improvements the Tenant will first seek the written consent of the Landlord and the Landlord covenants it will not unreasonably withhold, condition, or delay its consent. As part of its request for the Landlord’s consent, the Tenant will provide the Landlord with copies of plans and specifications to be used for the Tenant’s development and/or building permit applications.

7.2 The Tenant will not permit any builders’ liens to be filed against the interest of the Landlord in the Lands or the Demised Premises by reason of work, labour, services, or material supplied or claimed to have been supplied to the Tenant, and if any such builders’ liens are at any time filed against the Lands or the Demised Premises, the Tenant will cause them to be discharged from title to the Lands within *[30]* days of the date the Tenant has knowledge of such filing. Upon failure to do so by the Tenant, the Landlord, in addition to any right or remedy, may, but will not be obliged to, discharge the same by procuring a discharge of such builders’ liens by deposit in court of the amount of such builders’ liens; provided however that the Tenant will not be required to pay or discharge any such builders’ liens and nor will the Landlord do the same so long as the Tenant in good faith proceeds to contest them by appropriate proceedings, after first having given notice in writing to the Landlord of its intention to so contest the validity of the builders’ lien claim or claims, and after furnishing a surety bond of a company satisfactory to the Landlord or such other security in an amount sufficient to pay such contested builders’ lien claim or claims with all interest thereon and court costs and expenses, including reasonable solicitor’s fees, that may at such time be allowable by law and that might be incurred in connection with the claim or claims.

7.3 For purposes of this Lease, the term “Tenant’s Fixtures” includes and will be deemed to mean all items comprised in the Tenant’s Work, the Improvements (except of a permanent structural nature), Tenant’s trade fixtures (including, if applicable, trade fixtures installed for or on behalf of a previous tenant), and all items generally considered as leasehold improvements, including, without limitation, all fixtures, improvements, alterations, additions, installations, business equipment, inventory, trademarked items, signs, decorative soffit, counters, shelving, showcases, mirrors, and other removable personal property from time to time made, erected, or installed by or on behalf of the Tenant or any previous occupant of the Demised Premises in the Demised Premises, all partitions however affixed, wall-to-wall carpeting, finished floors including exterior and custom doors, signs, and logos (notwithstanding the degree of affixation).

7.4 The Tenant will be permitted from time to time during the Term to alter, remove, replace, and install Tenant’s Fixtures without obtaining the Landlord’s approval, provided that the Tenant complies with Section 7.1 in connection with any such alteration, removal, replacement, or installation.

7.5 All Tenant’s Fixtures in or upon the Demised Premises at the commencement of the Term and during the Term will, until but without limiting, the exercise of the Tenant’s right to remove same pursuant to Section 7.6 at, the expiration or earlier termination of this Lease or any Extension, be the Tenant’s property, notwithstanding any rule of law or equity to the contrary and notwithstanding that the Tenant may not have paid for the installation of all such Tenant’s Fixtures, provided that the Tenant may at its sole option leave any of the Tenant’s Fixtures on the Demised Premises on the expiration or earlier termination of this Lease.

7.6 During the Term, upon the expiration or earlier termination of the Term, and for a period of *[21]* days after such expiration or termination, the Tenant, subject to the Landlord’s right of distress, will, without the payment of any Additional Rent and notwithstanding any rule of law or equity to the contrary, have the right, but not the obligation, to remove from the Demised Premises any or all of the Tenant’s Fixtures, furniture, equipment, machinery, and chattels, provided that the Tenant will repair any damage to the remaining elements of the Building, will remove all debris, waste material, and refuse from the Demised Premises, and will leave the Demised Premises in a clean and orderly state, reasonable wear and tear excepted. It is understood and agreed that any of the Tenant’s Fixtures not removed by the Tenant within the aforesaid time period will, unless the Parties otherwise agree, become the property of the Landlord except that the Landlord will acquire no right or interests in any Tenant’s Trademarks.

**8. TAXES**

8.1 The Tenant will pay to the Landlord the Tenant’s Proportionate Share of the Taxes within *[15]* Business Days of receiving a written statement for same from the Landlord. If the Taxes are for a different period than the then-applicable Year of the Term, the Taxes will be adjusted accordingly. The written statement will set out in sufficient detail how the Tenant’s Proportionate Share of the Taxes is determined.

8.2 The Tenant will promptly pay the Tenant’s Taxes when due and owing, and the Landlord will promptly pay the Taxes when due and owing. Subject to Section 8.3, if the Landlord is required by lawful authority to pay the Tenant’s Taxes that the Tenant fails or neglects to pay, the Tenant will pay the amount of them to the Landlord promptly after written request for them.

8.3 Once the Landlord receives the actual tax assessment for the Development, it will promptly send a copy to the Tenant. If the Tenant acts expeditiously and in a bona fide manner, the Tenant will have the right to contest the validity or amount of any assessed value of the Lands or the Building or any Taxes or Tenant’s Taxes or both, so long as such contestation does not affect the Landlord’s interest in the Demised Premises and does not place the Landlord in default with its lender, and during the period in which any such assessed value or Taxes or Tenant’s Taxes are being contested, the Tenant will be deemed not to be in default under this Lease. Upon final determination of any such contestation, the Tenant will immediately pay and satisfy the amount, if any, found to be due, together with any costs and/or penalties.

8.4 If the Tenant is unable to contest the Taxes, the Landlord will, at the written request and expense of the Tenant, contest or appeal the assessed value of the Lands or the Building or the validity or amount of any Taxes levied or assessed against the Lands and the Building, provided such contest or appeal will not affect the Landlord’s interest in the Lands or the Building.

**9. OPERATING EXPENSES**

9.1 Prior to the commencement of each Fiscal Year, the Landlord will prepare and deliver to the Tenant a detailed budget of the estimated Operating Expenses, including the Tenant’s Proportionate Share calculation, for the next ensuing Fiscal Year. The Tenant will pay to the Landlord, monthly in advance, the Tenant’s Proportionate Share of the estimated Operating Expenses divided by the number of months in the next ensuing Fiscal Year. At the end of each Fiscal Year the Landlord will reconcile Operating Expenses as described in Sections 9.3 and 9.8.

9.2 If the Tenant’s Proportionate Share of Operating Expenses is to be paid in respect of any period less than a full Fiscal Year, then the amount of the yearly Operating Expenses payable for that period will be pro-rated on a daily basis.

9.3 The Landlord will deliver to the Tenant a statement certified by its auditors as to the actual Additional Rent including Operating Expenses and other charges, and showing variations from budget, within *[90]* days of the end of each Fiscal Year. Subject to Section 9.8, the Parties will make all reasonable efforts to make all appropriate adjustments within *[60]* days of the date of delivery of the statement. The Landlord will set out in the said statement, in reasonable detail, the individual items making up the Operating Expenses and the allocation of the Operating Expenses among the tenants in the Development.

9.4 The Landlord will keep proper and sufficient records and accounts of all Additional Rent and other charges. The Tenant and its duly authorized agents or representatives, will have the right, at any reasonable time and upon *[10]* days’ prior notice to the Landlord, to audit and to inspect such records and accounts at the office of the Landlord where they are maintained, for the purpose of verifying any statement of Additional Rent furnished by the Landlord. Any such inspection will be completed, or any claims or disputes will be raised, no later than one year after delivery to the Tenant of a statement pursuant to Section 9.3 above.

9.5 If the Operating Expenses reported by the Landlord are more than *[2.5]*% greater than the Operating Expenses determined by an audit by the Tenant, the Landlord will pay for the cost of the audit.

9.6 Despite anything contained in this Lease to the contrary, any allocation of any cost, charge, or expense that is to be determined by the Landlord under this Lease will be done on a reasonable and equitable basis.

*[If the use is retail or if the Demised Premises are in a mixed use with retail, include the following; if not, consider modifying or deleting this paragraph:]*

9.7 The Landlord further agrees that consumers of high volumes of utilities, such as restaurants, fast food outlets, hairdressers, laundromats, and grocery stores will have their own meter or submeter; alternatively, the Landlord will commission an engineer’s report (the cost of which will not be charged as Additional Rent) to calculate the extra share to be charged to such consumers through Operating Expenses, and the Operating Expenses will be adjusted accordingly.

9.8 Notwithstanding anything to the contrary contained in this Lease, the Tenant’s Proportionate Share of Operating Expenses will not exceed in any Fiscal Year the sum (the “Operating Expenses Cap”) obtained by multiplying the Leasable Area of the Demised Premises by $*[amount]*. The Operating Expenses Cap is to be adjusted at the commencement of the second Lease Year and every year thereafter (the “Adjustment Date”), by increasing or decreasing, as the case may be, the Operating Expenses Cap by the percentage yearly change in the All Items Consumer Price Index as at each such Adjustment Date (pro-rated if the first Lease Year or the last Lease year is not a full calendar year), in the manner disclosed in Section 9.2. In no event will the Tenant be required to pay Operating Expenses in excess of the square foot rate of any other tenant in the Development.

9.9 In this Lease, the “All Items Consumer Price Index” will be the All Items Consumer Price Index for British Columbia, as published by Statistics Canada from time to time. If the All Items Consumer Price Index ceases to be published or is calculated in a manner significantly different from that now prevailing, the Landlord and the Tenant will agree on a suitable substitute index and, failing agreement, a similar substitute index will be determined by arbitration.

**10. PARKING AND COMMON AREAS**

10.1 The Landlord hereby grants to the Tenant the full, free, and unlimited right, liberty, and irrevocable easement for the Tenant at all times by day and by night, in common with the Landlord and the other tenants and their respective invitees of the Development, to enter, go, pass, and repass upon, along, over and through and otherwise use the Parking Area(s) for the purposes of parking cars of the Tenant’s employees, guests, and customers in the Parking Area(s) while visiting in the Demised Premises. The Tenant will have the right throughout the Term to advise its customers and all persons having business with the Tenant that the parking stalls in the Parking Area(s) are available for parking for the customers of the Tenant.

10.2 The Landlord will reserve for the Tenant’s exclusive use those *[number]* parking spaces cross-hatched on Schedule B **(“Reserved Parking Area”**). The Tenant will have the right to mark those parking spaces in the Reserved Parking Area, “Reserved Parking *[name]* Only”. The Tenant will have the right, if necessary, to post signs in order to enforce the parking provisions in this Lease, and to tow or otherwise remove vehicles in violation of the parking provisions at the Landlord’s cost. Furthermore, the Landlord will not permit, except to the extent required by law, any fire lane, loading zone, or other restrictive parking to be located in the vicinity of Tenant’s storefront and entrance to the Demised Premises.

10.3 The Landlord will not at any time during the Term use or permit the Parking Area(s) to be used for any purpose other than the parking of cars belonging to the tenants of the Development and their respective employees, guests, and customers, and other than a maximum of *[number]* parking stalls at any one time for promotional purposes such as displaying a prize car for a lottery.

10.4 The Common Areas including those shown on site plan Schedule B are a material consideration for the Tenant entering into this Lease, and no change, alteration, or addition will be made to the site plan or the Development, including but not limited to the configuration of the Common Areas, methods of ingress and egress, direction of traffic, lighting, curbing, building heights and stories, the Landscaping (which would affect access or visibility to the Demised Premises), and parking. Should any change in the location and arrangement of the Common Areas materially and adversely affect the Tenant’s operation of its business, the Tenant, in addition to any right or remedy it may have in law or equity, will have the right to terminate this Lease or at its option receive an abatement of all Rent and payment obligations under this Lease without any liability or penalty, for the total period of the interference. The Landlord may make changes to the Common Areas that do not affect the Tenant’s access, visibility, or parking with the Tenant’s consent, which consent will not be unreasonably withheld, provided that if any such agreed-to changes interfere with the Tenant’s business, all Rent and other charges will abate in proportion to the degree of interference.

10.5 Without the Tenant’s consent, no public telephones, newspaper boxes or other vending machines, or signage will be affixed by or on behalf of the Landlord or any other tenant on the exterior walls of the Demised Premises or placed on the Common Areas including sidewalks in front of or surrounding the Demised Premises.

10.6 The Landlord agrees to provide adequate lighting of the Common Areas external to the Building, including the Parking Areas and access to and from the Parking Areas, from 30 minutes before dusk until the Demised Premises closes for business, which lighting will include the illumination of any pylon or monument sign advertising the Tenant’s business conducted in the Demised Premises, as well as lighting for the other signage and awnings used by the Tenant in the advertising of the business conducted by the Tenant in the Demised Premises if it is not separately metered and controlled by the Tenant. The Tenant has the right, but not the obligation, to operate the Tenant’s business in the Demised Premises 24 hours per day subject to the laws of British Columbia or the Municipality regarding the operation of business on holidays, Sundays, or otherwise.

10.7 The Landlord will provide adequate security with respect to the Development, in accordance with good business judgment applicable to similar developments. The Tenant will have the right to provide its own security should it wish, in which case, the Landlord’s cost of security will not form part of the Operating Expenses.

10.8 If from time to time during the Term the Tenant requests the Landlord to use parts of the Common Areas for events (such as meeting rooms or open spaces suitable for social gatherings or temporary sale of merchandise or provision of services), then subject to availability the Landlord will act reasonably in agreeing to such request. The use of the Common Area will be without charge or fee to the Tenant, save and except the Tenant will pay for any extra or additional janitorial costs due to the event and for the repair of any damage to the Common Areas, and will be responsible for its own catering. Notwithstanding the foregoing, if the Landlord, from time to time, designates part(s) of the Common Areas, such as lobbies or plazas, for impromptu meetings of tenants and other occupants in the Building, then no request will be required and use will be on a first come, first use basis, unless the Parties agree otherwise.

10.9 If from time to time the Building has any Building Amenities, then save and except if a Building Amenity is the subject of and provided for in Section 10.8, such Building Amenities will be made available to the Tenant and its invites and customers, without charge or fee on a first come, first use basis, unless agreed otherwise.

10.10 Without limiting Article 26, the Landlord will make commercially reasonable efforts to ensure that at all times during the Term, the use of the Common Areas will comply with all health and safety laws, regulations, bylaws, and policies in respect of containment of disease, including, without limitation, sanitation and social distancing requirements.

**11. EASEMENTS—ACCESS AND SIGNS**

11.1 The Landlord hereby grants to the Tenant the full, free, and unlimited right, liberty, and easement for the Tenant at all times by day and by night to enter, go, pass, and repass upon, along, and through and otherwise use the Access Areas for the purposes of access to and egress from the Parking Area and the Demised Premises for loading and unloading of delivery vehicles and for the purposes described in this Lease, all in common with the Landlord. The easement hereby granted applies only to the Access Area within the Lands.

11.2 The Landlord hereby grants to the Tenant the full, free, and unlimited right, liberty, and easement for the Tenant at all times by day and by night to enter, go, pass and repass upon, along, and through and otherwise use the Signage Areas in common with the Landlord and other tenants authorized by the Landlord for the purposes of the Tenant to install and maintain the free-standing signs described in Section 2.9(c).

11.3 The Landlord hereby grants to the Tenant the full, free, and unlimited right, liberty, and easement for the Tenant at all times by day and by night to enter, go, pass and repass upon, along, through, and otherwise use those portions of the Lands immediately adjacent to the exterior of the Building for purposes of affixing the Tenant’s Trademarks, including business name and logos in accordance with Section 2.9. It is further understood and agreed that the Tenant’s business name and logo may be shown on fixed signs and awnings that may be installed on at least two sides of the Building. All such signs and awnings will be in accordance with the Municipality’s bylaws.

**12. EASEMENTS AND RESTRICTIVE COVENANTS—GENERAL**

12.1 With respect to all the Easements and Restrictive Covenants granted to the Tenant by the Landlord in this Lease, the following terms, covenants, and provisions will apply:

(a) all Easements and Restrictive Covenants will be for the benefit of and enjoyed by the Tenant and its employees, agents, servants, contractors, subtenants, licensees, customers, and invitees;

(b) all Easements and Restrictive Covenants will be for a term commencing on the Commencement Date and ending on the expiry of the Term or earlier termination; and in the event this Lease is extended pursuant to Section 3.4, the term of all such Easements and Restrictive Covenants will automatically be extended by the same amount of time, and the Parties will execute whatever documentation is reasonably required by the Tenant to effect such extension;

(c) the burden of the Easements and Restrictive Covenants will bind and run with the Lands (save and except the Demised Premises) or any greater interest the Landlord may acquire in the Lands, being the servient tenement;

(d) the benefit of the Easements and Restrictive Covenants will be appurtenant to the Demised Premises, being the dominant tenement; and

(e) the consideration for the Easements and Restrictive Covenants will be the Rent and the Tenant will receive and enjoy the benefits of the Easements and Restrictive Covenants without any further costs to it.

12.2 Without restricting the generality of the Easements and Restrictive Covenants, in addition the Tenant, its employees, servants, contractors, agents, and invitees will have the following full and unrestricted licence during the Term to use, as required for operating the Tenant’s business, the following parts of the Development:

(a) external and internal roadways and pedestrian walkways built and designed for access to and from the Common Areas, including the Parking Area(s) and the Building entrance and the exterior entrance to the Demised Premises; and

(b) the Common Areas.

12.3 The Landlord covenants that, without the prior written consent of the Tenant, at no time during the Term will the Landlord allow or permit:

(a) any of the access routes described in this Article or any of the Easement Areas; or

(b) any Common Areas such as the Parking Area(s), courtyards, or open areas that are visible from the entrance to the Demised Premises or any windows from the Demised Premises,

to be obstructed, other than for purposes of the Landlord carrying out its obligations and duties under this Lease and so long as such obligations and duties are being diligently carried out, which will include any notice to or consultation with the Tenant as contemplated in this Lease. The Landlord will compensate the Tenant for any loss or damage suffered by the Tenant as a result of such obstruction that is not an obstruction for purposes of the Landlord carrying out its obligations and duties under this Lease, which will include any notice to or consultation with the Tenant as contemplated in this Lease, and so long as such obligations and duties are being diligently carried out.

**13. LANDLORD ACCESS TO DEMISED PREMISES AND OTHER AREAS**

13.1 Upon reasonable prior written notice, the Landlord, its servants, and its agents will, subject to complying with the provisions of Section 13.2, have the right to enter the Demised Premises for the purposes of making such inspections, repairs, alterations, and improvements as the Landlord may be required to make by law and for purposes of the Landlord carrying out its obligations under this Lease. If the purpose for such entry is a result of the negligence of the Landlord or if such entry is extended for an unreasonable period of time beyond what is reasonably required to carry out such work, then the Rent will abate *[Landlord-favourable option: in proportion to the part of the area of the Demised Premises affected]* while those repairs, alterations, improvements, or additions are being made by reason of interruption of the business of the Tenant, and the Landlord will compensate the Tenant for any loss of business.

13.2 Except in cases of emergency, the Landlord will give the Tenant reasonable notice before entering the Demised Premises under Section 13.1 and, to the extent possible in the circumstances, will enter the Demised Premises at such times as are convenient to the Tenant, and that will cause the least disturbance or interruption of the Tenant’s business. If requested by the Tenant, the Tenant will be entitled to have its representative present during all such entry by the Landlord. All inspections, repairs, alterations, improvements, and additions will be made in such manner as to minimize the disturbance or interruption of the Tenant’s business and the Landlord will cooperate fully with the Tenant to maintain adequate security within the Demised Premises while such operations are being conducted. Promptly upon completion of such operations, the Landlord will ensure that the Demised Premises are restored to the condition existing before entry by the Landlord.

13.3 If requested by the Tenant, the Tenant will be entitled to review any plans and specifications of any proposed Landlord repairs, alterations, improvements, or additions to or affecting the Demised Premises, and if the Tenant reasonably determines such repair, alteration, improvement, or addition will affect the Tenant’s rights under this Lease, no such repair, alteration, improvement, or addition will proceed without first obtaining the approval of the Tenant. Any and all out-of-pocket expenses incurred by the Tenant, including having its experts review any proposed work and having a representative present, will be for the account of the Landlord.

**14. ASSIGNMENT AND SUBLETTING**

14.1 The Tenant covenants that, subject to Section 14.2, it will not effect a Transfer without the prior written consent of the Landlord, such consent not to be unreasonably withheld, conditioned, or delayed, and the Landlord covenants it will not unreasonably withhold, condition, or delay such consent.

14.2 Notwithstanding Section 14.1, the Tenant will have the right, without obtaining the consent of the Landlord, to effect a Transfer to an Approved Transferee. In the event of such a Transfer to an Approved Transferee, the Tenant will notify the Landlord of the name of the Transferee.

14.3 In the event of a Transfer and such Transfer being a sublease or licence agreement, the Tenant will remain liable under this Lease for the remainder of the current Term or then-current Extension, as the case may be. In the event the Transfer is an assignment of the Lease and the Lease is in good standing, then:

(a) if the Transferee is an Approved Transferee or a party with a good business reputation in the same or similar business as the Tenant or is a retailer with a good business reputation selling primarily a regional or national brand of merchandise or services, the Tenant will, without further agreement, be automatically released and fully discharged from all its obligations under this Lease as of the effective date of the Transfer; or

(b) if the Transferee is none of the parties described in Section 14.3(a), the Tenant will, without further agreement, be automatically released and fully discharged from all its obligations under this Lease as of the end of the current Term or then-current Extension, unless the Tenant is otherwise earlier released and discharged by operation of law or the Parties agree otherwise.

14.4 Notwithstanding any term or condition to the contrary contained in this Lease, including Section 5.1, if the use proposed in the Development by the Transferee under a Transfer is not as described in Section 5.1 but will not cause the Landlord to be in default under any of its leases with any of its existing tenants in the Development, then it will be unreasonable for a Landlord to refuse consent to a Transfer because of the Transferee’s proposed use.

**15. RESTRICTIVE COVENANTS—NON-COMPETITION AND NO BUILD**

15.1 The Landlord as owner of the Lands hereby covenants and agrees with the Tenant as a grant of restrictive covenant:

(a) over the Lands or any part thereof (except the Demised Premises), that it will not at any time throughout the Term of this Lease or any Extension sell, assign, rent, lease, or license any part of the Lands (other than the Demised Premises), to any party who will use such Lands or part of them (other than the Demised Premises) for the purposes of operating a business for the purposes and uses described in Section 5.1; and

(b) over the No Build Area, not to build, erect, or construct nor permit to be built, erected, or constructed over the No Build Area, any buildings or structures of any kind, either permanent or temporary, save and except any landscaping, curbs, lamp poles, or any other structures required by law,

without the prior written consent of the Tenant.

15.2 The restrictive covenants specified in Section 15.1 will, throughout the Term of this Lease and any Extension, be deemed to touch and run with:

(a) in the case of Section 15.1(a), the Lands (except the Demised Premises); and

(b) in the case of Section 15.1(b), the No Build Area,

as the servient tenement, and be in favour of and for the benefit of the Demised Premises, as the dominant tenement. The restriction of use of the above-noted lands of the Landlord is part of the consideration for which the Tenant has agreed to enter into this Lease.

15.3 The Landlord acknowledges and agrees that damages for the breach of covenants in this Article 15 will be difficult to determine and, therefore, consents that these covenants may be enforced by temporary or permanent injunction without the necessity of a bond or other security. The Landlord acknowledges and agrees that the scope of these covenants is reasonable and commensurate with the protection of the legitimate interests of the Tenant.

**16. ENVIRONMENTAL SAFETY**

16.1 The Landlord represents and warrants that, as of the date of this Lease and as at the Commencement Date, there is no Contamination in, on, about, or under the Development, and the Landlord covenants that during the Term, there will continue to be no Contamination in, on, about, or under the Development.

16.2 If during the Term any Contamination is Released or discovered in, on, about, or under the Development then, subject to Section 16.4:

(a) The Landlord will immediately notify the Tenant of the existence, nature, and location of the Contamination.

(b) The Tenant may require the Landlord, by written notice, to obtain at the Landlord’s expense and provide to the Tenant such further information (including reports prepared by environmental consultants) to the extent the Tenant considers necessary to allow it to assess the nature, extent, and potential effects of any Contamination.

(c) The Landlord, at the Landlord’s cost, will as soon as is reasonably possible Remediate the Contamination to the extent required by Environmental Laws.

(d) If the Tenant deems it necessary or desirable to eliminate or mitigate any potential or perceived danger or hazard to the health and safety of the Tenant’s and its contractors’ respective employees, invitees, or customers, the Tenant may require the Landlord to Remediate the Contamination by such date as specified by the Tenant, acting reasonably, and to the extent the Tenant considers necessary to mitigate or eliminate such danger or hazard, failing which the Tenant may, but will not be obliged to, Remediate the Contamination and set off the cost against any Basic Rent and Additional Rent or other charges payable by the Tenant under this Lease, or the Tenant may, without liability on its part, and without limiting any of the Tenant’s rights or remedies, terminate this Lease.

(e) The Landlord will conduct Remediation as follows:

(i) remediation will be undertaken only after reasonable advance written notice by the Landlord to the Tenant;

(ii) remediation will be undertaken in accordance with Environmental Laws and so as to minimize any impact on the business conducted at the Demised Premises; and

(iii) should the Landlord not satisfactorily comply with either or both of Sections 16.2 (e)(i) and (e)(ii) above, the Tenant may at the Tenant’s option, without liability on its part, and without limiting any of the Tenant’s rights or remedies, terminate this Lease.

16.3 If any Contamination exists in, on, about, or under the Demised Premises then, subject to Section 16.4:

(a) the Landlord will immediately notify the Tenant of the existence, nature, and location of the Contamination;

(b) the Tenant may require the Landlord, by written notice, to obtain at the Landlord’s expense and provide to the Tenant such further information to the extent the Tenant considers necessary to allow it to assess the nature, extent, and potential effects of the Contamination;

(c) the Tenant may require the Landlord, by written notice, to remove the Contamination at the Landlord’s expense and by such date as specified by the Tenant, acting reasonably;

(d) if the Landlord fails to comply with the requirements under Sections 16.3(a), (b), or (c) above, then the Tenant may, but will not be obliged to, remove such Contamination and set off the cost of removal, disposal, and any required restoration against any Basic Rent and Additional Rent or other charges payable by the Tenant under this Lease, or the Tenant may, without liability on its part, and without limiting any of the Tenant’s rights or remedies, terminate this Lease, as the case may be; and

(e) the Landlord will conduct removal of the Contamination as follows:

(i) removal will be undertaken only after reasonable advance written notice by the Landlord to the Tenant;

(ii) removal will be undertaken in accordance with Environmental Laws and in a manner so as to minimize any impact on the business conducted at the Demised Premises; and

(iii) should the Landlord not satisfactorily comply with either or both of Sections 16.3 (e)(i) and (e)(ii) above, the Tenant may at the Tenant’s option, without liability on its part, and without limiting any of the Tenant’s rights or remedies, terminate this Lease.

16.4 The Tenant will not at any time during the Term create, use, or Release any Hazardous Material in, on, or about the Development, other than in compliance with Environmental Laws. Sections 16.2 and 16.3 will not apply to any Contamination caused by the Tenant or any Hazardous Material created, used, or Released by the Tenant contrary to this Section 16.4.

16.5 The Landlord will indemnify, defend, and save the Tenant harmless from any and all Environmental Liability related to the Development and from any and all claims, losses, costs, orders, judgments, fines, penalties, and expenses arising from or in connection with any non-performance or non-observance or any action taken by the Landlord under this Article 16.

16.6 The Tenant will indemnify, defend, and save the Landlord harmless from any and all Environmental Liability caused by the Tenant related to the Development and from any and all claims, losses, costs, orders, judgments, fines, penalties, and expenses arising from or in connection with any non-performance or non-observance or any action taken by the Tenant under this Article 16.

**17. INSURANCE**

17.1 The Landlord will accept as sufficient insurance in respect of the Demised Premises the coverages, amounts, and deductibles contained in the Tenant’s blanket policy from time to time in force, and will not require the Tenant to obtain for the Demised Premises any additional coverages or amounts that the Tenant does not maintain under its blanket policy for its other similar locations. At the written request of the Landlord, the Tenant will furnish the Landlord with certificates evidencing the insurance referred to in this Article. The Tenant will throughout the Term maintain and keep in effect the insurance described in this Article allowing for reasonable changes to such insurance. Notwithstanding the above, the Tenant will, in any event, during the Term, maintain comprehensive general public liability insurance in an amount not less than $*[5,000,000]*, fire insurance, and extended coverage on Tenant’s Improvements.

17.2 The Landlord will take out and maintain throughout the Term:

(a) all risk property and equipment breakdown insurance with coverage that would be carried by a prudent landlord for a development similar to the Development, in an amount equal at all times to the full replacement value;

(b) comprehensive general liability insurance with respect to the Development in an amount and for coverages that would be carried by a prudent landlord of a development similar to the Development;

(c) loss of rental income insurance for loss of rental caused by damage and destruction as set out in Article 21; and

(d) plate glass insurance as specified in Section 6.2(e).

The Landlord hereby releases the Tenant, and those for whom the Tenant is in law responsible, from all damages as a result of occurrences that the Landlord is required to insure against under this Lease or that it otherwise insures against, and all such property loss policies of insurance effected by the Landlord will contain a waiver of any subrogation rights that the Landlord’s insurers may have against the Tenant and those for whom the Tenant is in law responsible and will not at any time contain any co-insurance provisions. The proceeds of the all risk property insurance will be applied to rebuilding the Demised Premises or the Development, as the case may be, pursuant to the provisions of this Lease. At the request of the Tenant, the Landlord will furnish the Tenant with certificates evidencing insurance referred to in this Article 17.

17.3 Neither the Landlord nor the Tenant will do or permit anything to be done in the Demised Premises or at any other place in the Development that would impair or invalidate the obligation of any policy of insurance on the Demised Premises or the Development or any part of them or would result in the premium for any such policy being increased; and in the event of either the Landlord or the Tenant being responsible for any such impairment, invalidation, or increase it will, promptly after receipt of notice from the other Party, take such steps as are necessary to remedy the situation and pay the amount of any such increase; and in the event of the cancellation or a threatened cancellation of any such policy, the Party not responsible for it will have the right to enter upon the Demised Premises and remedy the situation and add or deduct the cost of the remedy to or from the Rent payable under this Lease, as the case may be.

17.4 The Tenant will give the Landlord immediate notice in case of fire or accident of which the Tenant is aware in the Demised Premises or in the Development.

**18. ARBITRATION**

18.1 Except as to a dispute arising under Section 2.12, Article 15, or Article 16, any dispute between the Parties, whether arising during the Term of this Lease or during any Extension or any time thereafter, that touches upon the validity, construction, meaning, performance, or effect of this Lease or the rights and liabilities of the Parties or any matter arising out of or connected with this Lease, will be subject to arbitration under the *Arbitration Act*, and as provided in this Article 18.

18.2 The Party desiring arbitration will nominate one arbitrator and will notify the other Party of such nomination. Such notice will provide a brief description of the matter submitted for arbitration and, if appropriate, the Section of this Lease under which such matter is so submitted. Such other Party will within *[15]* Business Days after receiving such notice nominate an arbitrator, and the two arbitrators will select a chair of the arbitral tribunal to act jointly with them. If the arbitrators are unable to agree in the selection of a chair, the chair will be designated by the President of the ADR Institute of Canada or if the President does not make the designation, then the Parties will request that the ADR Institute appoint the chair.

18.3 The arbitration will take place in the Municipality or such place as the chair decides, and the time and place in the Municipality so determined will also be fixed by the chair for the purpose of hearing such evidence and representations as either of the Parties may present. The arbitrators and the chair will, after hearing any evidence and representations that the Parties may submit, make their decision and reduce it in writing and deliver one copy of it to each of the Parties. The majority of the chair and arbitrators may determine any matters of procedure for the arbitration not specified in this Article 18.

18.4 If the Party receiving the notice of the nomination of an arbitrator by the Party desiring arbitration fails within *[15]* Business Days to nominate an arbitrator, then the arbitrator nominated by the Party desiring arbitration may proceed alone to determine the dispute in such manner and at such time as such arbitrator thinks fit, and such arbitrator’s decision, subject to the provisions of this Article 18, will be binding upon the Parties.

18.5 Notwithstanding the foregoing, any arbitration may be carried out by a single arbitrator if the Parties so agree, in which event the provisions of this Article 18 will apply with the necessary changes made.

18.6 The cost of the arbitration will be borne by the Parties as may be specified in such determination.

18.7 Submission to arbitration under the provisions of this Article will be a condition precedent of the bringing of any action with respect to this Lease.

**19. *FORCE MAJEURE***

19.1 If either Party to this Lease fails to observe or perform any of the covenants or obligations imposed upon it in this Lease and such failure has been occasioned by or in connection with or in consequence of *Force Majeure* as hereinafter defined, such failure will be deemed not to be a breach of such covenants or obligations.

19.2 For the purpose of this Lease, **“*Force Majeure*”** means any event beyond the control of the Parties, including but without restricting the generality thereof, lightning, earthquakes, storms, strikes, lockouts, shortage of necessary labour or other industrial disturbances, acts of public enemies, sabotages, war, terrorism, blockades, riots, disease, pandemics, epidemics, quarantine restrictions, landslides, floods, fires, washouts, and any acts, rules, regulations, orders, or directives of any government or Government Agency (including a state of emergency), civil disturbances, rebellion, explosions, transportation embargoes or failure or delays in transportation, the order of any court, or any other causes whether enumerated in this Section 19.2 or otherwise not reasonably within control of a Party and that by the exercise of due diligence such Party is unable to overcome. Notwithstanding anything to the contrary contained in this Article 19, save and except in the event of the circumstances and/or results contemplated in Section 19.6, impecunious circumstances on the part of either Party will not constitute *Force Majeure* for the purposes of this Section 19.2.

19.3 The Party claiming *Force Majeure* will notify the other Party in writing within *[45]* days after the beginning of the occurrence.

19.4 Except as otherwise provided in this Lease, *Force Majeure*, notified as above, will automatically prolong the terms of the contractual obligations of both Parties by the period of the *Force Majeure* and such additional time as is commercially reasonable in the circumstances, subject to Sections 19.6 and 19.7.

19.5 For delays and non-execution of obligations due to *Force Majeure*, no Party may claim a breach of this Lease or penalties, interest, or any other compensation or participation in damages due to *Force Majeure*.

19.6 In the event of *Force Majeure*, and during each calendar month the *Force Majeure* continues, if, solely due to such event of *Force Majeure*::

(a) the Tenant is not able to substantially operate its business for *[number, e.g., 20]* days or more during a calendar month; or

(b) the Tenant’s gross revenue from its business being carried on from the Demised Premises is *[percentage]*% below the last full calendar month before the event of *Force Majeure* or *[percentage]*% below the historical gross revenue for that calendar month in the *[number]* years before the *Force Majeure*; or

(c) the Tenant’s workforce headcount or total worked hours being carried on from the Demised Premises is *[33]*% below the workforce headcount or total worked hours carried on from the Demised Premises for the last full calendar month before the event of *Force Majeure* or below the historical numbers for that month in the *[number]* years before the event of *Force Majeure*,

then, notwithstanding anything to the contrary set out in this Lease, the Tenant at any time after any of the events or results described in Sections 19.6(a) through (c) above have occurred and so long as they continue (except to the extent inapplicable pursuant to Sections 19.6(d) or (i)) will have the sole right and option to:

(d) partially surrender to the Landlord a *[percentage or square footage]* area of the Demised Premises and Rent will be reduced accordingly; or

(e) reduce Rent by *[amount or percentage]*; or

(f) *[pay Rent based on [percentage]% of gross revenue, instead of Rent as otherwise contemplated in this Lease (where “gross revenue” means [insert particulars for payment of percentage rent and appropriate defined terms]); or]*

(g) cease operating; or

(h) exercise any two or more of the rights and options set out in Sections 19.6(d) through (g) above; or

(i) terminate this Lease by delivering written notice of cancellation to the Landlord together with a surrender of this Lease as described in Section 3.5 and without any liability for any Rent after the date the event of *Force Majeure* commenced.

19.7 If due to *Force Majeure* or for any other reason, a financial or rent relief program is offered by any Government Authority with respect to commercial tenancies and the Landlord and Tenant qualify for the program, the Parties will make application to the program in order to obtain the maximum financial or rent relief offered by the Government Authority unless both Parties agree in writing not to participate in such program.

**20. TITLE/SUBORDINATION**

20.1 The Landlord covenants with the Tenant and represents to the Tenant that it has or will have, on the date possession of the Demised Premises is delivered to the Tenant, good and marketable title to the Development free and clear of all leases, easements, rights-of-way, restrictive covenants, and other similar rights and interests that could affect the rights and interests of the Tenant under this Lease, and free and clear of all financial liens, charges, and encumbrances, subject, however, to the provisions of Sections 20.2, 20.4, and 20.5, and except the Permitted Encumbrances.

20.2 The Landlord consents to the Tenant registering the Lease and all rights granted in this Lease capable of forming an interest in land, including the Easements and the Restrictive Covenants, as a short form of lease on the title to the Lands in the Land Title Office under the *Land Title Act*, and will furnish to the Tenant, at no cost or expense to the Tenant, the necessary land title office explanatory, reference, or other plans required in order to register as aforesaid.

20.3 If the Landlord sells or otherwise transfers any interest in the Lands and the Building (other than by way of leases for retail, office, or other bona fide development purposes or by way of mortgage, charge, or other encumbrance as security), the Landlord will cause the purchaser or transferee, as the case may be, to enter into an agreement with the Tenant under which such purchaser or transferee covenants that, so long as it retains any interest in the Lands and Building, it will perform the obligations of the Landlord under this Lease and be bound by all of the provisions of this Lease, including the Easements and Restrictive Covenants and further including this provision, which will apply to each and every subsequent sale or transfer of any interest in the Lands and Building; provided that this Section 20.3 will not apply to transfers for the purpose of making small adjustments in boundary lines between the Building and adjacent streets or lands or transfers to municipalities, public authorities, or public utilities by way of easements for slopes, poles, cables, wires, conduits, pipes, vaults, transformers, and like purposes, and further provided that any such transfer will not release the Landlord from any of its obligations under this Lease.

20.4 The Landlord will not mortgage, charge, or otherwise encumber by way of security the Building, unless the Landlord has provided the Tenant with an agreement, in form satisfactory to the Tenant acting reasonably, with holders of any mortgage, charge, or other encumbrance to enter into an instrument with the Tenant permitting the Tenant to continue in quiet enjoyment and possession of the Demised Premises in accordance with the terms of this Lease, notwithstanding any default by the Landlord under any such mortgage, charge, or other encumbrance.

20.5 The Parties have executed these presents upon the understanding that a short form of this Lease may be registered by the Tenant on the title to the Lands in priority to all mortgages and other financial liens, charges, and encumbrances thereon and in priority to all existing options to purchase or lease, leases, easements, rights-of-way, and restrictive covenants, except the Permitted Encumbrances. If any such mortgage, financial charge, option to purchase or lease, lease, easement, right-of way, or other such similar right or interest is registered before this Lease is registered, the Landlord will use reasonable efforts to promptly (that is, within *[60]* days after the Commencement Date) obtain and register a postponement of it by which the interests of such mortgagee, grantee, chargee, tenant, or encumbrance holder will be subject to the rights and interests of the Tenant under this Lease as if this Lease had been executed and registered prior to the execution and registration of such mortgage, charge, or encumbrance and prior to the advancement of any money upon the security of them.

20.6 The Tenant will, upon receipt of a request from the Landlord, promptly deliver to any mortgagee an acknowledgement as to the standing of this Lease, and also will execute such mortgagee’s form of acknowledgement of assignment to such mortgagee of the Landlord’s interest in this Lease; provided the Tenant has no reasonable objection to any term or condition of it.

20.7 Without limiting the generality of the foregoing Sections in this Article 20, the Landlord covenants and agrees with the Tenant for quiet enjoyment and without limiting the generality of the foregoing the Landlord covenants with the Tenant that the Tenant will and may peaceably possess and enjoy the Demised Premises for the Term without any interruption or disturbance from the Landlord, its heirs, executors, administrators, or assigns, or any other person or persons lawfully claiming by, from, or under the Landlord, or any of them.

**21. DAMAGE OR DESTRUCTION**

21.1 If and whenever during the Term, the Business Facilities, or any of them, are destroyed or damaged by fire, lightning, or tempest, or any of the perils insured against under Article 17, then and in every such event:

(a) if the damage or destruction is such that the Business Facilities are rendered wholly unfit for use or it is impossible or unsafe to use them, and if in either event the damage, as agreed between the Landlord and Tenant (or, failing such agreement, in the opinion of a duly qualified consultant appointed by the Landlord to be given to the Tenant within *[30]* Business Days of the happening of such damage or destruction), cannot be repaired or replaced with reasonable diligence within *[240]* days from the happening of such damage or destruction or before the expiry of the Term, whichever is earlier (the **“Repair Period”**), then the Tenant may, within *[30]* Business Days next succeeding such agreement (or the giving of the opinion of the duly qualified consultant appointed by the Landlord), terminate this Lease by giving notice in writing of such termination, in which event this Lease and the Term hereby demised will cease and be at an end as of the date of such destruction or damage and the Rent and all other payments for which the Tenant is liable under the terms of this Lease will be apportioned and paid in full to the date of notice of termination, and in the event that the Tenant does not so terminate this Lease, then the Tenant will repair or replace the Business Facilities with all reasonable speed and the Rent hereby reserved will abate from the date of the happening of the damage until the damage is made good to the extent of enabling the Tenant to use the Business Facilities;

(b) if the damage is such that the Business Facilities are wholly unfit for use, or if they are impossible or unsafe to use, or if the damage, as agreed between the Landlord and Tenant (or, failing such agreement, in the opinion of the duly qualified consultant appointed by the Landlord, as specified, to be given to the Tenant within *[30]* Business Days from the happening of such damage), can be repaired with reasonable diligence within the Repair Period, then the Rent hereby reserved will abate from the date of the happening of such damage until the damage is made good to the extent of enabling the Tenant to use the Business Facilities and the Tenant will repair the damage to the Business Facilities with all reasonable speed;

(c) if the damage can be made good as specified within the Repair Period and the damage is such that the Business Facilities are capable of being partially used for the purposes for which they are hereby demised, then until such damage has been made good the Rent will abate and the Tenant will make good the damage with all reasonable speed;

(d) in any case where the Tenant is obliged to repair or replace the Business Facilities or part of them as set out in this Article 21, the Landlord will assign the proceeds of insurance on the Business Facilities effected under Article 17 for such purposes in amounts corresponding to progress payments required for the repair or replacement of the Business Facilities. In the event of termination of this Lease as a result of damage or destruction of the Business Facilities as provided in Section 21.1(a), the Landlord and Tenant will share the proceeds of insurance as their respective interests may appear herein.

21.2 If the Building apart from the Business Facilities is damaged or destroyed by fire or other casualty, and as long as the Lease has not been terminated under Section 21.1, the Landlord will repair such damage and will in the case of the Building being substantially destroyed, rebuild or restore the Building with such changes, modifications, and alterations in the design and structure as are approved by the Tenant, such approval not to be unreasonably withheld. With respect to such new Building, the Parties agree that the Rent will be adjusted in accordance with any agreed upon changes in the area of the Demised Premises.

21.3 Notwithstanding anything to the contrary in this Lease, including this Article 21, if and whenever during the Term, the Business Facilities, or any of them, are destroyed or damaged by fire, lightning, or tempest or any other perils and such perils including fire, lightning, and tempest are not insured against such losses under Article 17, then and in every such event, on *[60]* days’ written notice, the Tenant will have the right to terminate this Lease, regardless of the length of time any repair or replacement will take.

21.4 Notwithstanding anything to the contrary in this Lease, including this Article 21, if and whenever during the last three years of the Term, the Business Facilities or any of them are destroyed or damaged by fire, lightning, or tempest, or any of the perils insured against such losses under Article 17, then and in every such event, on *[60]* days’ written notice, the Tenant will have the right to terminate this Lease, regardless of the length of time any repair or replacement will take.

21.5 Subject to the prior sections of this Article 21, if the Demised Premises or any part thereof are expropriated or condemned at any time during the Term, then in each such event the Landlord and the Tenant may seek compensation separately from the expropriating authority and will cooperate in seeking such compensation, and if a joint award of compensation is made it will be divided as agreed between the Landlord and the Tenant, and failing agreement either Party may refer the matter to arbitration. Both the Landlord and the Tenant agree to cooperate with each other in respect of any expropriation or condemnation of all or any part of the Demised Premises or any other part of the Development, so that each may receive the maximum award in the case of any expropriation or condemnation to which they are respectively entitled at law. If only part of the Demised Premises is expropriated or condemned, then the Tenant will have the sole option of either terminating this Lease and surrendering the Demised Premises to the Landlord, or keeping the Lease in effect and partially surrendering the part of the Demised Premises expropriated or condemned, and in which case Rent will be adjusted proportionately.

**22. DEFAULT/REMEDIES**

22.1 The Tenant covenants with the Landlord that if the Tenant violates or neglects any of its covenants, agreements, or stipulations under this Lease and any such default on the part of the Tenant continues for *[30]* days after written notice of it to the Tenant by the Landlord, or, notwithstanding the foregoing, if any payments of Rent or any part of them are not paid within *[15]* days of written demand for them, then, subject to Section 22.3, the Landlord in addition to any other remedy now or hereafter provided by law may at its option cancel or annul this Lease immediately and re-enter and take possession immediately without any previous notice of intention to re-enter, and may remove all persons and property, and may use such force and assistance in making such removal as the Landlord may deem advisable to recover at once full and exclusive possession of the Demised Premises; and such re-entry will not operate as a waiver or satisfaction in whole or in part of any right or claim of the Landlord arising as a consequence of any breach by the Tenant of any provision contained in this Lease.

22.2 If during the Term the Tenant makes any assignment for the benefit of creditors or becomes bankrupt or insolvent or takes the benefit of any bankruptcy or insolvency legislation, and if within 30 days of such an event the Tenant does not revert back to its previous status or position, then the current month’s Rent, together with the Rent accruing for the next three months will immediately become due and payable, and the Term will at the option of the Landlord become forfeit and void, and it will be lawful for the Landlord at any time thereafter to re-enter into or upon the Demised Premises or any part of them in the name of the whole and the Landlord to have again, repossess, and enjoy as of its former estate.

22.3 The Tenant will not be considered to be in default under Sections 22.1 or 22.2 if the nature of the default is one that cannot be readily remedied within the *[30]*-day notice period described in the foregoing Sections, and the Party in default is diligently working towards remedying the default.

22.4 Unless the Tenant has abandoned the Demised Premises, the Landlord will not exercise its right of distress whether at common law or by statute without first giving to the Tenant written notice of demand in accordance with Section 22.1.

22.5 The Parties agree with each other that if a Party violates or neglects any covenant, agreement, or stipulation in this Lease required to be kept, performed, or observed by that Party, for *[21]* days after written notice of the default from the non-defaulting Party to the defaulting Party, then the non-defaulting Party may, but will not be obliged in addition to any other remedy now or hereafter provided by law (save and except the right to terminate), remedy the default; and the cost and expense of doing so will be due and payable by the defaulting Party upon demand by the non-defaulting Party and, in the case of the Landlord as the non-defaulting Party, will be collectible as Additional Rent, and in the case of the Tenant as the non-defaulting Party will be set off and deducted from Rent, and for such purposes the non-defaulting Party may enter upon the Demised Premises and the Common Areas to do all such things. While the Landlord is exercising its rights under this Article, it will not exercise any of its remedies elsewhere under this Lease.

22.6 The failure of either Party to insist upon strict performance of any covenant or condition contained in this Lease or to exercise any right or option under this Lease will not be construed as a waiver or relinquishment for the future of any such covenant, condition, right, or option.

22.7 No remedy conferred upon or reserved to the Landlord or to the Tenant in this Lease, by statute or otherwise, will be considered exclusive of any other remedy, but the remedy will be cumulative and in addition to every other remedy available to the Landlord or to the Tenant, as the case may be, and all such remedies and powers of the Landlord or the Tenant, as the case may be, may be exercised concurrently and from time to time and as often as may be deemed expedient by the Landlord or the Tenant, as the case may be.

22.8 In addition to any other duties or obligations at law or in equity, the Party claiming relief or a remedy for a breach of this Lease has a duty to and will mitigate their own loss by taking all reasonable steps available.

22.9 The Parties agree that each Party may seek relief against penalties and forfeitures granted pursuant to s. 24 of the *Law and Equity Act* of British Columbia, and if the Party in breach of the Lease contract is able to put the non-breaching Party in the position that it was in prior to the breach, the non-breaching Party will not oppose such relief.

**23. HOLDOVER**

If the Tenant holds over after the expiration of the Term and the Landlord accepts rent, then notwithstanding any statutory requirement to the contrary, the new tenancy thereby created will be deemed a monthly tenancy and not a yearly tenancy and will be subject to the terms, covenants, provisos, and conditions contained in this Lease insofar as they are applicable to a tenancy from month to month.

**24. NOTICES**

Any notice, consent, approval, or other communication required or permitted to be given under this Lease (“**Notice**”) will only be duly and properly given if given in writing, and if delivered by hand, sent by registered mail postage paid, or transmitted by electronic means including facsimile, addressed as follows:

(a) in the case of the Landlord, addressed to:

*[address]*

Attention: *[name]*

Email: *[email address]*

Facsimile: *[fax number]*

(b) in the case of the Tenant, addressed to:

*[address]*

Attention: *[name]*

Email: *[email address]*

Facsimile: *[fax number]*

with a copy to: *[name and address at location of Demised Premises]*

Attention: The Manager

Email: *[email address]*

Facsimile: *[fax number]*

or such other address as any party specifies by written notice so given, and will be delivered when actually received by the receiving party. For purposes of this Article 24, a Notice will be deemed to be actually received if sent by registered mail when the registered mail is delivered at the applicable address, or if sent by electronic means, including facsimile, when the transmission is received at the receiving party’s email address, or facsimile machine, or if delivered by hand when accepted by a person at the applicable address.

**25. CONSENTS; DUTY TO ACT IN GOOD FAITH**

25.1 If the Landlord is required to give its consent or approval in this Lease to any matter, item, or request of the Tenant, then unless the contrary is expressed in the relevant Section of this Lease, the Landlord expressly covenants that it will not unreasonably nor arbitrarily withhold, condition, or delay such approval or consent.

25.2 If the Tenant is required to give its consent or approval in this Lease to any matter, item, or request of the Tenant, then unless the contrary is expressed in the relevant Section of this Lease, the Tenant expressly covenants that it will not unreasonably or arbitrarily withhold, condition, or delay such approval or consent.

25.3 Both Parties covenant to act in good faith in the performance of the Lease by exercising their contractual discretion in a manner that is consistent with the purpose for which it was granted in the Lease.

**26. COMPLIANCE WITH LAWS**

Each of the Landlord and the Tenant will, at its sole cost and expense, comply with all applicable provisions of law, including, without limiting the generality of the foregoing, all requirements of all applicable federal and provincial legislative enactments, bylaws, and other governmental or municipal regulations now or hereafter in force that relate to the making of any repairs, replacements, alterations, additions, changes, substitutions, or improvements of or to property subject to the provisions of this Lease relating to the respective responsibilities of the Tenant and the Landlord with respect to the making of any repairs, replacements, alterations, additions, changes, substitutions, or Improvements of or to the Demised Premises and the Development, respectively. Each of the Landlord and the Tenant will comply with all police, fire, health (including sanitary), and safety regulations and policies imposed by any governmental, provincial, or municipal authority. The Tenant will comply with all reasonable requirements of any fire insurance underwriter insuring any portion of the Building, provided that the Parties will each have the right to contest by proper legal proceedings the validity of any such law, bylaw, rule, or regulation and may postpone compliance with it until the final determination of any such proceedings, provided that all such proceedings will be prosecuted with due diligence and dispatch, and provided further that any such postponement will not subject the Building or any part of it to forfeiture or sale.

**27. CONFIDENTIALITY**

The Landlord acknowledges and agrees that in addition to the Tenant’s Trademarks, any designs, plans, drawings, and specifications for the construction of the Demised Premises including the Improvements, Tenant’s Work, Tenant’s Fixtures, and the Tenant’s furniture and equipment (collectively **“Tenant’s Plans and Specifications”**) are the sole property of the Tenant, and the Landlord will receive them in confidence, except that the Landlord may use or cause them to be used in connection with this Lease. The Landlord further acknowledges and agrees that the business and operating methods and any financial data relating to the Tenant are of a confidential nature and that no such information will be used or disclosed by the Landlord, except that the Landlord may use such information or cause such information to be used in its capacity as Landlord and in connection with this Lease. The Landlord further agrees that any unauthorized use or disclosure of Plans and Specifications and business and operating methods and financial information will cause immediate and irreparable harm or injury to the Tenant and that the Tenant will be entitled to an immediate court injunction to enjoin and to restrain any unauthorized use or disclosure of such information, in addition to any other remedies to which it may be entitled by law. The foregoing restrictions on the uses of such information will not apply to (i) information that is required by law to be disclosed provided the Landlord provides prior written notice of such legal disclosure requirement to the Tenant or (ii) information that is rightfully obtained by the Landlord from a third party, that is in the public domain through no fault of the Landlord.

**28. INTERPRETATION**

28.1 This Lease will be construed in accordance with the laws of the province of British Columbia and the federal laws of Canada applicable therein.

28.2 Where required, the singular number will be deemed to include the plural, and the neuter gender the masculine or feminine, and vice versa as the context may require.

28.3 Upon the execution and delivery of this Lease, the Offer to Lease will not merge with this Lease and the terms, covenants, conditions, and provisions of the Offer to Lease will survive the execution and delivery of this Lease. Without limiting the generality of the foregoing, if there exists a conflict between a provision in the Offer to Lease and any provision of this Lease, the provision in this Lease will govern.

28.4 If the Tenant comprises two or more persons, each of them will be jointly and severally bound with each other for the due performance of the obligations of the Tenant under this Lease.

28.5 Time is of the essence of this Lease.

28.6 All obligations on each of the Parties in this Lease will be construed and read as if they are covenants notwithstanding that the term “covenant” is not used. When the expression “including” is used, it will mean “including without limitation”, unless the context otherwise requires.

28.7 Schedules A to D *[revise as required]* inclusive attached to this Lease are incorporated in and form part of this Lease.

28.8 Nothing in this Lease will constitute or be construed to be or create a partnership or joint venture between the Landlord and its respective successors and assigns, on the one part, and the Tenant or its permitted sublessees and their respective successors or assigns on the other part.

28.9 The headings in this Lease are for convenience and reference only and are not intended to define, limit, or describe the scope or intent of any provisions of this Lease.

28.10 This Lease will be binding upon and enure to the benefit of the Parties and their respective successors (in title and corporate) and permitted assigns.

28.11 This Lease may be executed in one or more counterparts, each of which will be an original, and all of which together will constitute a single instrument. Further, the Parties agree that this Lease may be signed by electronic signature (e.g., DocuSign or similar electronic signature technology) and/or transmitted by electronic means, and thereafter maintained in electronic form, and that such electronic record will be valid, and effective to bind the Party so signing, as a paper copy bearing such Party’s handwritten signature. The Parties further consent and agree that the electronic signatures appearing on this Lease will be treated, for the purposes of validity, enforceability, and admissibility, the same as handwritten signatures.

*[insert appropriate execution provisions]*

*[if a party is an individual:]*

SIGNED by *[name]* in the presence of:

)

)

*[signature]* )

)

)

*[name]* )

)

)

*[address]* ) *[name]*

)

)

*[occupation]* )

)

*[if a party is a corporation:]*

*[name of company]*

Per:

Authorized Signatory

Per:

Authorized Signatory

*This lease should include the following Schedules:*

*Schedule A—Plan of Demised Premises*

*Schedule B—Plans and Specifications of the [name] Development, including Common Areas, Access Areas, Parking Area(s), and Landscaping.*

*Schedule C [1 to #]—[insert, as applicable, survey or sketch plans of Access Areas, Parking Area(s), Signage Areas, and No Build Area]*

*Schedule D—Landlord’s Work and Tenant’s Work*

**SCHEDULE D**

*[This Schedule is only an example and will need to be revised as required for the applicable circumstances]*

**LANDLORD AND TENANT WORK**

**A. LANDLORD’S WORK**

Under the terms and conditions of this Lease, and as per the Tenant’s Plans and Specifications, the Landlord will provide, construct, and install the following, all at the Landlord’s sole cost and expense, and all to a location within the Demised Premises as determined by the Tenant, including all necessary permits:

**(i) Basic Building**

A basic building (other than improvements herein described as Tenant’s Work) containing the Tenant’s Demised Premises in the Building as shown on Schedule A, and on Lands legally described in the Lease.

**(ii) Parking Lot**

A parking lot that is paved, striped, landscaped, and suitably illuminated plus access to and egress therefrom, all as shown on the attached Schedule B.

**(iii) Pylon Sign Base**

A concrete base, in a location as shown on the attached Schedule B, for the pylon sign, complete with anchor bolts and appropriate electrical conduit and connected electrical wiring from the pylon sign base to the Tenant’s electrical panel.

**(iv) Demised Premises**

***Fire Protection***

Fire sprinkler system if required by building code at a height to accommodate the Tenant’s ceiling plan.

***Ceiling***

A clear height of twelve feet (12' 0") within the Demised Premises to accommodate the Tenant’s suspended acoustic or open ceiling concept.

***Exterior Walls and Demising Walls***

All exterior and demising walls to be insulated to acceptable local building and fire code requirements.

All interior columns, exterior walls and demising walls to be drywalled to the underside of the roof deck. All walls and columns to be taped and sanded to the roof deck, ready to receive a paint finish.

***Roof***

Insulated to acceptable building and fire code requirements.

***Exterior Walls***

Insulated to acceptable building and fire code requirements.

***Floor***

Smooth trowelled single plane concrete floor slab ready for Tenant’s finish.

***Plumbing***

(1) Venting, hot and cold water lines, and sanitary lines for two operational washrooms, handicapped if necessary, as per local building code, in a location within the Demised Premises as determined by the Tenant. Supply and installation of all fixtures and accessories for two washrooms including hot water tank, exhaust fans, mirrors, dispensers, grab bars, and all other accessories as required by code. Supply and installation of all interior partitions to create above washrooms including lockable passage door and t-bar ceiling.

(2) Roughed-in sanitary line for a slop sink.

(3) Roughed-in sanitary line for a kitchenette in the staff room.

*[OR*

*(1) Roughed-in venting, cold water line, and sewer lines for two washrooms brought to a location within the Demised Premises as determined by the Tenant.*

*(2) Roughed-in sanitary line for a slop sink.*

*(3) Roughed-in sanitary line for a kitchenette in the staff room.]*

***Store Front***

A store front the full width of the Tenant’s Demised Premises with the glazing to be clear in colour. All store front aluminum frames and mullions are to be anodized finish. The store front will include one (1) set of double doors and one handicapped operator model #GT710 by Gyrotech in a location as determined by the Tenant.

***Electrical***

Electrical service of 400 AMP 120/208 volt, 60 cycle 3 phase 4 wire including one 75KVA step-down transformer, if required, and a 60 circuit electrical panel complete with main breaker and disconnect switch to a point along the rear of the Demised Premises, in a location determined by the Tenant. *[According to Section 6.5 of the Lease, this must be detailed to satisfy the warranty set out in Section 6.5 of the Lease, including not only the Demised Premises, but also other facilities such as the pylon sign.]*

***Telephone/Communication***

One empty conduit of no less than *[size]* for telephone/communications services from street or main electrical room to a point within the Demised Premises. *[According to Section 2.10 of the Lease, the infrastructure for communications service must be detailed to satisfy the requirement set out in 2.10 (Landlord at its expense will install and provide all necessary and required conduit, ducts, and principal communications cable and wiring (including fibre) to the Demised Premises for Tenant’s telecommunications).]*

***Heating, Ventilating, and Air-conditioning (HVAC)***

Rooftop HVAC units above the Demised Premises to provide a minimum of 15 tonnes of heating, ventilating, and air-conditioning comprising of two (2) 7.5 tonnes units, complete with electrical, gas, thermostat(s), distribution (including duct work and diffusers), and, if necessary, an economizer in order to maintain 70 degrees Fahrenheit within the Demised Premises. Thermostats for each HVAC unit to be programmable, manufactured by White – Rodgers model #1F95-377.

***Rear Service Door***

One building standard rear service man-door complete with panic hardware.

***Coordination of Tenant’s Work***

Coordinate Landlord’s Work with Tenant’s Work.

**B. TENANT’S WORK**

The Tenant, at its expense, will provide, furnish, and install all architectural, electrical, mechanical, and plumbing fixtures and work not included in Part A hereof and that are necessary to complete the construction of the Demised Premises in accordance with the approved Tenant plans and specifications including, but not limited to, the following:

***Permits***

The Tenant will be responsible for obtaining all applicable building permits relating to the Tenant’s work and the certificate of occupancy. All work will conform to local, municipal, provincial, and federal codes, inspection bureaus and underwriter’s requirements.

***Signs***

Tenant signage and lighting in accordance with the Tenant’s design criteria and subject to municipal approvals.

***Telephone/Communications Services***

All distribution and extensions of telephone/communications conduit within the Demised Premises and all intercom, communication, intrusion alarms, and signal systems including distribution cable/wiring required by the Tenant.

***Plumbing***

*[include if the Landlord does not provide complete washrooms]*

All plumbing, piping, equipment, fixtures, hot water tank, etc., required to extend and connect plumbing services from fixtures to the point of connection provided by the Landlord.

***Electrical***

All electrical conduits, fixtures (supplied by Tenant), panels and breakers, lighting contractors, time clocks, isolated ground receptacles, receptacles and switches, and handicapped operators not supplied by the Landlord as per the Tenant’s plans.

***Ceiling***

*[include if the Landlord does not provide suspended acoustic ceiling]*

Supply and install as per building code a suspended acoustic ceiling or open ceiling plan at a clear height of 12' 0" within the Demised Premises as per the Tenant’s reflected ceiling plan.

***Customer Convenience Fixtures***

A three-slot bicycle rack affixed to the sidewalk in a location mutually agreed to between the Landlord and Tenant.

At the Tenant’s option, a concrete base and bolts for a stand-alone video return box at a location to be mutually agreed upon by the Landlord and Tenant and as per the Tenant’s specifications.

***Fire Protection***

Other than the fire sprinkler system as installed by the Landlord, any firefighting, fire prevention, and/or safety and emergency equipment or lighting, in and about the Demised Premises.