**SHOPPING CENTRE LEASE—LONGER FORM**

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**SHOPPING CENTRE LEASE**

THIS LEASE made *[month, day, year]*

AMONG:

*[name of landlord]*

(the “Landlord”)

AND:

*[name of tenant]*

(the “Tenant”)

AND:

*[name of indemnifier]*

(the “Indemnifier”)

**WHEREAS** the Landlord has established a centre for retail tenants called *[specify]* (the “Centre”) and the Tenant has agreed to locate and operate a business in the Centre on the terms and conditions set forth in this Lease.

**SUMMARY OF CERTAIN BASIC LEASE PROVISIONS**

The following is a summary of certain basic Lease provisions, which are referred to in subsequent provisions of this Lease. In the event of any conflict between the contents of this summary and the remaining provisions of this Lease, the remaining provisions will govern.

(a) Name and Address of Landlord

*[name and address of Landlord]*

Fax No.:  *[number]*

(b) Name and Address of Tenant

*[name and address of Tenant]*

Fax No.:  *[number]*

*[insert if appropriate:]*

Name and Address of Tenant’s Principal Office

*[name and address of Tenant’s principal office]*

(c) Name and Address of Indemnifier

*[name and address of Indemnifier]*

(d) Indemnifier Provisions

Section 22.28 and Schedule I

(e) Tenant’s Business or Trade Name

*[Tenant’s business or trade name]*

(f) Permitted Use

*[description of permitted use]*

(g) Premises-Unit No. or Description

*[insert description]*

(h) Rentable Area

*[number]* square feet, subject to adjustment in accordance with Section 3.3

(i) Term

*[number]* years, *[number]* months, *[number]* days

(j) Term Commencement Date

*[month, day, year]*

(k) Term Expiry Date

*[month, day, year]*

(l) Fixturing Period

*[number]* months, *[number]* days

(m) Basic Rent

|  |  |  |  |
| --- | --- | --- | --- |
| Year | Annual Basic Rent | Monthly Basic Rent | $*[amount]* per annum per square foot of the Rentable Area of the Premises |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

(n) Percentage Rent: *[percentage]*% of Gross Revenue per Lease Year over the Breakpoint (as defined in Section 4.4(b))

(o) Rental Commencement Date as to the following:

(i) Additional Rent: *[month, day, year]*

(ii) Basic Rent: *[month, day, year]*

(iii) Percentage Rent: as set out in Section 4.4(b)

(p) Security Deposit

*[amount]*

(q) Annual Promotion Fund and Advertising Payment

*[amount for Promotion Fund]*

*[amount for Advertising Payment]*

(r) Special Provisions

Schedule J

**1. SCHEDULES**

**1.1 The schedules to this Lease consist of:**

Schedule A—Definitions

Schedule B—Description of Landlord’s Work and Tenant’s Work

Schedule C—Procedure for Landlord’s Work and Tenant’s Work

Schedule D—Signage Policy

Schedule E—Plan of Premises

Schedule F—Plan of Centre

Schedule G—Rules and Regulations

Schedule H—Permitted Encumbrances

Schedule I—Indemnity Agreement

Schedule J—Special Provisions

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

**2.1** **Landlord’s Work and Tenant’s Work**

The Tenant acknowledges that it has entered into this Lease on the express understanding that the Landlord’s Work in the Premises is limited to the scope of construction described as Landlord’s Work in Section *[section reference]* of Schedule B. The Landlord’s Work and the Tenant’s Work will be completed in accordance with the procedure set out in Schedule C.

**2.2 Completion of Landlord’s Work**

If the Premises or any part of them are not ready for occupancy as determined by the Landlord on a date that will allow the Tenant to complete the Tenant’s Work in accordance with the provisions of this Lease on or before the Term Commencement Date by reason of the fact that the Premises are not in a condition that will allow the Tenant’s Work to be commenced, the Lease will not be void or voidable, and the Tenant will not have any claims for any losses or damages, no matter how the delay has been caused; however, the Fixturing Period, the Term Commencement Date, and the Rent Commencement Date will be postponed by the length of such delay. The Tenant will not be entitled to any abatement of Rent for any delay in occupancy due to the Tenant’s failure or delay to provide plans or to complete any special installations or other work required for its purposes or due to any other reason, nor will the Tenant be entitled to any abatement of Rent for any delay in occupancy if the Landlord has been unable to complete construction of the Premises by reason of such failure or delay by the Tenant. Notwithstanding any postponement in the Term Commencement Date, the Rent Commencement Date, or the Fixturing Period, the expiry date of this Lease will remain unchanged.

**2.3 Completion of Premises**

The Tenant will, prior to opening the Premises for business, furnish the Landlord with the following:

(a) an affidavit sworn by the Tenant, or a responsible officer of the Tenant, setting forth that the Tenant’s Work has been completed to its satisfaction and in strict accordance with Schedule C and the approved plans and specifications, which affidavit may be relied upon by the Landlord, it being understood that any deliberate or negligent misstatement or false statement by or on behalf of the Tenant will constitute a breach of covenant in this Lease;

(b) an affidavit sworn by the contractor or contractors or a responsible officer or officers of the contractor or contractors performing the Tenant’s Work, specifying that the Tenant’s Work has been fully completed in accordance with Schedule C, listing all sub-contractors, workers, and material suppliers supplying work and materials or any of these for the Tenant’s Work, and stating that all sub-contractors, workers, and material suppliers supplying work and materials or any of these for the Tenant’s Work have been paid in full; and

(c) a waiver of lien with respect to work done and material supplied to the Premises, executed by the contractor or contractors, and if requested by the Landlord, waivers of lien executed by the sub-contractors, workers, and material suppliers supplying work and materials or any of these for the Tenant’s Work.

**2.4 As Is/Where Is**

If the Premises have been previously fixtured and improved by the Landlord or a prior tenant, the Tenant acknowledges that, notwithstanding the provisions of Schedule B, it has fully investigated the condition of the Premises or waived its right to do so and it is fully familiar with the physical condition of the Premises and every part thereof (including, but not limited to, the indoor air quality generally and the HVAC System). The Tenant agrees that it has accepted the Premises on an “as is/where is” basis, and that the cost of any renovations, improvements, or fixturing required by the Tenant will be payable by the Tenant. The Landlord makes no representations or warranties as to the condition of the Premises and Common Areas, or any part thereof, including, but not limited to, the HVAC System and other building systems, the indoor air quality within the Premises and Common Areas, and the environmental condition of the Premises and Common Areas. The Tenant agrees to submit to the Landlord for approval the drawings and specifications relating to any such further Tenant’s Work as specified in Schedule B to this Lease, and the Tenant further agrees that all further work carried out by the Tenant in the Premises will be pursuant to this Lease, including, without limitation, the provisions of Schedule B.

**2.5 Prime Contractor**

Where the Tenant:

(a) during the Term (including any fixturing period), performs or coordinates its own work in connection with any improvements to the Premises; and/or

(b) supplies, without limitation, labour, tools, machinery, equipment, and supervision necessary to carry out the work referred to in (a) above,

then notwithstanding that the Landlord may have agreed to pay the Tenant an allowance for such work or abate the Rent for a given period or provide other forms of inducements or reimbursements, the Tenant will, and agrees, that it will be named as the “Prime Contractor” (for purposes of the *Workers Compensation Act*, R.S.B.C. 2019, c. 1 and regulations under it as the same may be modified, amended, or replaced from time to time) for the purpose of carrying out the performance or coordination of the work referred to in (a) or (b) above. The Tenant covenants and agrees that in its capacity as the Prime Contractor it will take all steps and measures necessary to fulfil the obligations, functions, and duties of a “Prime Contractor” in compliance with all applicable Laws. Where the term “Prime Contractor” is used in this Section, it will mean and refer to the Tenant.

Notwithstanding anything else contained in the Lease, the Prime Contractor hereby covenants to indemnify and save harmless the Landlord and its respective employees, servants, agents, successors, and assigns from and against all manner of actions, causes of action, suits, damages, loss, costs (including legal fees on a full indemnity basis), claims, fines, penalties, and demands of any nature whatsoever relating to loss or damage arising from the Prime Contractor’s construction of the work referred to in (a) or (b) above including, without limitation, loss or liability for any administrative fines and penalties under workers’ compensation legislation in British Columbia.

At all times during the construction of the work referred to in (a) or (b) above, the Prime Contractor will at its own expense procure and carry, or cause to be procured and carried and paid for, full workers’ compensation coverage in respect of all workers, employees, servants, and others engaged in or upon any work. At all times the Prime Contractor will indemnify and save harmless the Landlord, its employees, servants, agents, successors, and assigns from and against all damages, costs (including legal fees on a full indemnity basis), claims, suits, judgments, and demands that the Landlord may incur as a result of any default by the Prime Contractor of its obligation to ensure that the full workers’ compensation coverage is maintained. The Prime Contractor will further ensure that no amount of the workers’ compensation coverage is left unpaid so as to create a lien on the Premises, the Lands, or the Centre. The Tenant will be in default under the Lease if the workers’ compensation coverage required under this Section is not in place on or before the date the Prime Contractor commences construction of the work referred to in (a) or (b) above, the proof and sufficiency of which will be required by the Landlord.

**2.6 Fixturing Period and** **Early Occupancy**

Provided that the Premises are ready for occupancy as determined by the Landlord in its sole discretion, the Tenant will have possession of the Premises for the Fixturing Period (or for any other early occupancy period permitted by the Landlord in its sole discretion prior to the Term Commencement Date) provided that:

(a) during such period of early occupancy all provisions of this Lease will apply;

(b) the payment of Rent will commence on the Rent Commencement Date;

(c) the Term will not commence to run until the Term Commencement Date; and

(d) the Tenant will pay the costs of utilities and garbage removal during the Fixturing Period.

**2.7 Leasehold Improvement Allowance**

In consideration of the Tenant entering into this Lease, the Landlord agrees to pay an allowance equal to $*[amount]* per square foot of the Rentable Area of the Premises to be spent on improvements to the Premises only, exclusive of Sales Taxes if applicable, payable upon completion of the latest of:

(a) execution of this Lease;

(b) expiry of the lien holdback period;

(c) compliance by the Tenant with the Tenant’s obligations under Schedule C, including completion of the Tenant’s Work, and payment by the Tenant of all sums to be paid under Schedule C;

(d) discharge of any liens that may have been filed against the Premises or the Lands with respect to the work done by or on behalf of the Tenant on the Premises;

(e) receipt by the Landlord of a statutory declaration, executed by the Tenant, in a form satisfactory to the Landlord confirming payment in full of all costs relating to the work done by or on behalf of the Tenant on the Premises;

(f) receipt by the Landlord of as-built drawings of the Tenant’s Work in both electronic and print formats;

(g) receipt by the Landlord of a workers’ compensation clearance letter confirming that the contractor is in good standing with the Workers’ Compensation Board; and

(h) receipt by the Landlord of confirmation that the Tenant is carrying the insurance required by this Lease,

unless the Tenant is in default under this Lease.

**3.** **DEMISE AND TERM**

**3.1** **Demise and Term**

In consideration of the Rent, covenants, and agreements reserved and contained in this Lease, which Rent, covenants, and agreements are to be paid, observed, and performed by the Tenant, the Landlord does hereby demise and lease unto the Tenant the Premises and the Tenant does hereby lease from the Landlord the Premises, TO HAVE AND TO HOLD from the Term Commencement Date for and during the Term, unless sooner terminated as hereinafter provided.

**3.2** **Rentable Area—Estimated**

The Rentable Area of the Premises will be determined by the Landlord in accordance with the provisions of this Lease including Schedule A. If the Rentable Area could not be accurately calculated prior to the execution of this Lease, it may be estimated by the Landlord and, once it is accurately calculated:

(a) if the estimate previously made was not correct or if it has changed, the appropriate adjustments will be made, retroactively to the Term Commencement Date, to the Rent payable under this Lease; and

(b) the Parties will enter into an agreement in writing supplemental to this Lease stating the adjusted Rentable Area of the Premises and any adjusted Total Rentable Area and any adjusted amounts of Rent and any adjusted portion of the Additional Rent.

**3.3** **Rentable Area—Further Correction or Adjustment**

In addition to Section 3.2, the Landlord may from time to time calculate or recalculate or measure or re-measure any one or more of the following in accordance with methods then considered to be good practice for comparable buildings and premises: the Rentable Area and the Total Rentable Area. If the Rentable Area or the Total Rentable Area are determined to be different from those stated herein or in any instrument supplemental hereto entered into from time to time as contemplated by Section 3.2, then:

(a) the Basic Rent and the Tenant’s portion of Additional Rent will be adjusted accordingly with effect as at the date upon which the Landlord will give notice of the change to the Tenant;

(b) the Parties will enter into an agreement supplemental to this Lease stating the recalculated or re-measured Rentable Area and the adjusted Basic Rent and Tenant’s portion of Additional Rent; and

(c) such agreement supplemental hereto will state the adjusted amounts of Rent payable hereunder with effect as at the date upon which the Landlord will give written notice of such error to the Tenant.

Upon determining that an error exists in the calculation of the Rentable Area the Landlord will promptly give notice of that error to the Tenant and the foregoing provisions of this Section 3.3 will apply with necessary changes.

**3.4 Re-survey**

If the Property is re-surveyed for any reason, including, without limitation, upon completion of construction, expansion, or alteration of the building containing the Premises and the Centre to correct any minor encroachment of the building on the adjoining lands or to correct any disparity in the parking ratios between the Property and the adjoining lands, and a new plan of the Property is filed in the appropriate land title office in the City, the Tenant covenants and agrees with the Landlord, if required, to execute and deliver all subdivision plans and amendments to this Lease or the Schedules hereto and will upon the request of the Landlord and at the cost and expense of the Landlord execute all such further acts, deeds, and assurances as may be required for re-surveying the Property.

**4.** **RENT**

**4.1** **Tenant to Pay Basic Rent and Additional Rent**

The Tenant covenants and agrees to pay to the Landlord notwithstanding the provisions to the contrary herein, or as the Landlord may in writing direct, in lawful money of Canada, without any set-off, compensation, or deduction whatsoever, on the days and at the times hereinafter specified, Rent which will include the aggregate of the sums required to be paid under Sections 4.1(a), 4.1(b), and 4.1(c):

(a) Basic Rent

The Tenant will pay the Basic Rent.

(b) Additional Rent

In addition to the Basic Rent, the Tenant will pay the Tenant’s Proportionate Share (determined in accordance with Section 4.3) for each of the following:

(i) Occupancy Costs; and

(ii) Tax Costs.

(c) Additional Rent (Premises)

In addition to the Additional Rent set forth above in (b), the Tenant will also pay for those costs, to the extent not included in Occupancy Costs, that directly relate to the Tenant’s use of the Premises, which include:

(i) the cost, charge, or expense for water, garbage collection, and any other like service rendered to the Premises for the benefit of the Tenant and paid by the Landlord; and

(ii) that portion of the cost of lighting, heating, ventilating, and air-conditioning the Premises attributable to the fact that the equivalent electric load of the Tenant in the Premises is in excess of *[number]* watts per square foot or attributable to the fact the Tenant is operating the Premises in excess of the normal operating hours for the Centre.

**4.2 Tenant to Pay Percentage Rent**

The Tenant covenants and agrees to pay to the Landlord, in lawful money of Canada, without any set-off, compensation, or deduction whatsoever, on the days and at the times hereinafter specified, Percentage Rent, in addition to and not in substitution for or in partial payment of Basic Rent.

**4.3** **Basis of Determining Additional Rent Payments**

(a) Estimated Occupancy Costs, Cost of HVAC, and Cost of Insurance

As soon as reasonably possible after the Term Commencement Date and after the start of each Lease Year, the Landlord will furnish to the Tenant an estimate of the Additional Rent to be paid by the Tenant under Sections 4.1(b) and 4.1(c) for the balance of the then-ensuing Lease Year in the case of the Term Commencement Date and for each Lease Year thereafter, determined as follows:

(i) for the balance of the Lease Year after the Term Commencement Date the amount, as calculated by the Landlord, that is the Tenant’s Proportionate Share of the estimate of the total of the Additional Rent divided by the number of months from the Term Commencement Date to the start of the next ensuing Lease Year; and

(ii) for each full Lease Year thereafter, the amount, as calculated by the Landlord, that is one-twelfth of the Tenant’s Proportionate Share of the estimate of the total of the Additional Rent.

(b) Actual Occupancy Costs

Within *[150]* days after the end of each Lease Year, the Landlord will furnish to the Tenant a statement of the actual costs during such Lease Year of those items comprised in Additional Rent described in Sections 4.1(b) and 4.1(c) and the Tenant’s Proportionate Share thereof. In the event that such actual Additional Rent in any Lease Year, or part thereof in the case of the Term Commencement Date, exceeds the estimated Additional Rent for that year, the Tenant agrees to pay within *[10]* days of written demand by the Landlord the Tenant’s Proportionate Share of such actual Additional Rent subject to credit being given for the monthly payments made under the provisions of Sections 4.1(b)(i) and 4.1(c), and subject to making due adjustment where the Term did not subsist during the whole of such Lease Year. The Landlord will give credit to the Tenant for the amount of any overpayment made by the Tenant occasioned by such actual Additional Rent for such Lease Year or part thereof being less than the estimate of the Additional Rent for such Lease Year or part thereof provided by the Landlord and paid by the Tenant under Sections 4.1(b)(i) and 4.1(c). Any payment (or credit) made by the Landlord to the Tenant or made by the Tenant to the Landlord in respect of any adjustment made hereunder, will be without prejudice to the right of the Landlord (but not the Tenant) to claim a readjustment provided such claim is made within *[25]* months from the date of delivery of such statement. Provided, however, the Landlord’s failure to provide such statement within such *[150]*-day period will in no way excuse the Tenant from its obligation pursuant to this Section 4.3(b) or constitute a waiver of the Landlord’s right to bill and collect any monies payable by the Tenant pursuant to this Section 4.3(b). In the event of dispute, the certificate of a Chartered Accountant appointed by the Landlord will be conclusive and binding upon the Landlord and the Tenant as to any amounts payable under this Section 4.3(b).

(c) Estimate of Taxes

As soon as reasonably possible after the Term Commencement Date and after the start of each Lease Year, the Landlord will furnish to the Tenant an estimate of the Taxes to be paid by the Tenant for the period of the Lease Year from the Term Commencement Date in the case of the Term Commencement Date and for each Lease Year thereafter in the case of each Lease Year. In each case the monthly amount of the said estimate to be paid by the Tenant under Section 4.1(b)(ii) will be an amount such that by the date or dates Taxes (including any advance payments) are due and owing for said period of time the Landlord will have collected in advance a sufficient amount or amounts to pay the estimate of the Tenant’s Proportionate Share of Taxes for the period of time in question (including advance payments), provided that if at the first day of any such calendar month, for either of the respective periods of time set out above, the Landlord has not furnished to the Tenant the aforesaid estimate, the Tenant will in the case of a Lease Year after the Term Commencement Date continue to pay to the Landlord the amount due for the prior month and, once the new estimate is furnished, the Landlord will cause an adjustment to be made and any difference will be added to or credited to the new payment.

(d) Actual Taxes

After the bill for Taxes for each Lease Year is received, the Tenant agrees to pay to the Landlord within *[10]* days after written demand by the Landlord, the Tenant’s Proportionate Share of the Taxes for such Lease Year subject to credit being given for the monthly payments made under the provisions of Section 4.1(b)(ii) and subject to making due adjustment where the Term did not subsist during the whole of such year. The Landlord will give credit to the Tenant for the amount of any overpayment made by the Tenant occasioned by the Taxes for such Lease Year or part thereof being less than the estimate of the Taxes for such Lease Year or part thereof provided by the Landlord and paid by the Tenant under Section 4.1(b)(ii). The certificate of a Chartered Accountant appointed by the Landlord will, in the event of dispute, be conclusive and binding upon the Landlord and the Tenant as to any amounts payable under this Section 4.3(d).

(e) Alternative Allocation of Additional Rent

Notwithstanding anything to the contrary herein, the Landlord may, acting reasonably, allocate and attribute various costs, expenses, outlays, and amounts (or portions thereof) comprising Occupancy Costs, Cost of HVAC, Cost of Insurance, or other amounts comprising Additional Rent hereunto to specific leased premises or groups of leased premises. In making any such allocation or attribution the Landlord may have regard to, amongst other things, the various uses of leased premises in the Centre, the purpose for which such costs, expenses, outlays, and amounts have been incurred, the location of individual leased premises or groups of leased premises, and the probable or apparent use made of various portions of the Centre by specific tenants, their contractors, agents, employees, licensees, concessionaires, subtenants, invitees, and customers. Costs, expenses, outlays, and amounts (or portions thereof) allocated and attributed by the Landlord in accordance with this Section 4.3(e) to specific leased premises or tenants will be paid by such tenants (including the Tenant, if applicable), on demand, as Additional Rent and will be excluded by the Landlord from Occupancy Costs, as the case may be, for the purpose of calculating various tenants’ proportionate shares of such costs.

(f) Accounting Principles

All calculations referred to herein will be made in accordance with generally accepted accounting principles and practices applicable to the real estate development industry and applied on a consistent basis.

**4.3 Procedure for Payment of Rent**

The Tenant will pay the Rent provided for in this Article 4 promptly and punctually as follows:

(a) Payment of Basic Rent and Additional Rent

Basic Rent and Additional Rent instalments described in Sections 4.1 and 4.3 will be paid on a monthly basis. The Tenant will pay the first monthly instalments of Basic Rent and Additional Rent on the Rent Commencement Date. Thereafter, subsequent monthly instalments will each be in advance on the first day of each ensuing calendar month.

(b) Payment of Percentage Rent

Percentage Rent will be paid on the *[10th]* day after the last day of the first calendar month in which Gross Revenue for the Lease Year exceeds the Breakpoint (defined below), and on the *[10th]* day after the end of each successive calendar month of the Lease Year, as well as the *[10th]* day of the month after the end of the Term. The amount of each payment of Percentage Rent will be obtained by applying the percentage referred to in Item (n) of the Summary of Certain Basic Lease Provisions, to the total of the stated Gross Revenue in excess of the Breakpoint for the immediately preceding month and the stated Gross Revenue in excess of the Breakpoint for all preceding months of the Lease Year, and deducting from that total the payments on account of Percentage Rent made previous to that time by the Tenant for the Lease Year. If the Annual Statement (as defined in Section 4.5(b)) furnished by the Tenant under Section 4.5, at the end of a Lease Year, discloses that the total Percentage Rent paid by the Tenant for the Lease Year exceeds or is exceeded by the total Percentage Rent payable by the Tenant for the Lease Year, the Tenant will pay any deficiency at the same time as it furnishes the Annual Statement, or the Landlord will pay any excess to the Tenant as soon as reasonably possible after the Landlord’s receipt of the audit opinion referred to in Section 4.5(c) (unless an audit under Section 4.9 is in progress or the Tenant is then in default under any term or condition of this Lease). “Breakpoint” means *[breakpoint as set dollar value or formula]*.

If the Lease Year is less than 365 days, the Breakpoint will be reduced by multiplying the Breakpoint by a fraction, the numerator of which is the number of days in the Lease Year and the denominator of which is 365. If the Tenant fails to carry on business in the Premises on a day on which the Tenant is required to carry on business in accordance with the terms of this Lease, the Breakpoint will be reduced by multiplying it by a fraction, the numerator of which is the number of days in the Lease Year on which the Premises are open to the public for business and the denominator of which is the number of days in the Lease Year on which the Tenant is required to carry on business in the Premises in accordance with the terms of this Lease plus any days on which the Tenant is not required to carry on business by reason of closures under any provision of this Lease or *force majeure* as described in Section 22.14 of this Lease.

(c) Post-dated Cheques or Electronic Debit

The Landlord may require the Tenant from time to time to furnish the Landlord with a series of post-dated cheques covering the next 12 instalments of Rent and the Tenant will, forthwith upon request, deliver such cheques to the Landlord. At the Landlord’s request the Tenant will participate in a pre-authorized payment plan whereby the Landlord will be authorized to debit the Tenant’s bank account each month and from time to time during the Lease Year in an amount equal to the Rent payable on a monthly basis, and, if applicable, generally any amount payable provisionally pursuant to the provisions of this Lease on an estimated basis.

(d) Increase in Occupancy Costs

The Tenant will not do or omit to do, or permit to be done or omitted, upon or about the Premises, anything that will cause the Occupancy Costs to be increased. If the Occupancy Costs are so increased, the Tenant will pay the amount of such increase to the Landlord upon demand.

**4.5 Gross Revenue Reports**

(a) On or before the *[10th]* day of each calendar month, except for the first month of the Term, the Tenant will deliver to the Landlord, at the place then fixed for the payment of Rent, a statement (the “Monthly Statement”) signed by the Tenant, that: (i) states that Gross Revenue as reported in the Monthly Statement is in accordance with the definition of Gross Revenue in Schedule A; (ii) contains a certification by the Tenant that the Monthly Statement is correct; (iii) is in the detail and form that the Landlord requires; and (iv) without limiting the requirements stated above, shows: (A) the amount of Gross Revenue for the preceding month (and fractional months, if any, at the commencement or end of the Term); (B) the amount of Gross Revenue for all preceding months of the Lease Year (and fractional months, if any, at the commencement or end of the Term); and (C) the monthly payments made on account of Percentage Rent for the Lease Year.

(b) Before the *[61st]* day after the end of each Lease Year (including the last Lease Year of the Term), the Tenant will deliver to the Landlord at the place then fixed for the payment of Rent, a statement (the “Annual Statement”) signed by the Tenant, which Annual Statement will: (i) state that Gross Revenue as shown in the Annual Statement is in accordance with the definition of Gross Revenue in Schedule A; (ii) contain a certification by the Tenant that the Annual Statement is true and correct; and (iii) without limiting the requirements stated above, show, month by month, the amount of Gross Revenue during the preceding Lease Year.

(c) Before the *[181st]* day after each fiscal year-end of the Tenant, the Tenant will deliver to the Landlord an audit opinion by an independent public accountant of recognized standing (an “Accountant”) signed by the Accountant and stating that: (i) they have examined, in accordance with generally accepted auditing standards, the Gross Revenue of the Tenant for the fiscal year then ended; and (ii) Gross Revenue is fairly presented for the fiscal year then ended, in accordance with the definition of Gross Revenue in Schedule A and on a basis consistent with that of the preceding fiscal year.

**4.6 Occasional Statements**

The Landlord may, from time to time, require the Tenant to deliver, within one week of the request, a statement of the approximate amount of Gross Revenue on a daily basis for the week preceding the date on which the statement is to be delivered. These statements will be used to analyze special promotions or sales trends and not to calculate Percentage Rent.

**4.7 Tenant’s Records**

The Tenant will keep in the Premises or at its principal office in Canada, for at least three years after the end of each Lease Year, adequate books and records kept in accordance with generally accepted accounting principles that show inventories and receipts of merchandise at the Premises and daily receipts from all sales, rentals, charges, services, and other transactions, in or from the Premises made by the Tenant and any other Persons conducting business in or from the Premises as well as sales and rental tax returns, pertinent original sales and rental records, and any other sales and rental records that the Landlord reasonably requires and that would normally be examined by an accountant pursuant to accepted auditing standards in performing a detailed audit of Gross Revenue. The Tenant will also cause the records described above to be kept by all Persons doing business in or from the Premises. The Tenant, and all other Persons conducting business in or from the Premises, will record at the time of the sale or rental, in the presence of the customer, all receipts from sales, rentals, charges, services, or other transactions, whether for cash or credit, in a cash register or registers or computerized systems featuring safeguards so as to prevent the deletion of a perpetual and cumulative total and any other control features that are required by the Landlord.

**4.8 Right to Examine**

The Landlord may examine the Tenant’s books and records relating to Gross Revenue and the inventories of merchandise at the Premises and at the Tenant’s principal office in Canada, for the period covered by any statement issued by the Tenant. The Landlord and its authorized representatives may examine the Tenant’s records and procedures during regular business hours, and may have a Person in the Premises to check, verify, and tabulate Gross Revenue or to examine accounting records and procedures including control features affecting the determination of Gross Revenue.

**4.9 Audit**

The Landlord may, at reasonable times, cause a complete audit to be made of the Tenant’s business and records relating to the calculation of Gross Revenue. If the auditor reports that the Tenant’s records and procedures are insufficient to permit a determination of Gross Revenue for a Lease Year, or a part of a Lease Year, or that the Tenant is not complying with this Article 4, the Landlord may deliver to the Tenant an estimate (which will be final and binding on the Tenant) of Gross Revenue for the relevant period and the Tenant will immediately pay to the Landlord the amount shown in the estimate to be owing.

If the Landlord’s auditor reports that the Tenant is in default under this Article 4 or if the audit discloses that Gross Revenue for the relevant period is understated by *[percentage]* or more, the Tenant will pay to the Landlord, on demand, the cost of the audit in addition to the deficiency, together with interest on the latter calculated from the first day of such period at the Prime Rate plus *[percentage]* in force on such date.

**4.10 Tenant’s Failure**

If the Tenant fails to deliver a statement or an audit opinion required under this Article 4 within the time required, the Landlord may, on *[five]*days’ notice to the Tenant, employ an auditor to examine the Tenant’s books and records to certify the amount of Gross Revenue for the period related to the statement or the audit opinion, and the Tenant will pay to the Landlord, on demand, as Additional Rent the cost of the examination together with the sums shown by the examination to be owing on account of Percentage Rent with interest on the latter calculated from the date the statement or the audit opinion was required at the Prime Rate plus *[percentage]* in force on such date.

**4.11 Normalization**

If, in any year, the Occupancy Costs or the Tax Costs are reduced because the Centre is not fully occupied, then at the Landlord’s option, Additional Rent, both estimated and actual, will be adjusted for the purpose of calculations under this Section, by adding amounts and items of expenses that would normally have been incurred if the Centre had been fully occupied during the whole of such year and deducting any abnormal start-up costs, all as estimated by the Landlord.

**4.12 Rent for Irregular Periods**

All Rent reserved herein will be deemed to accrue from day to day, and if for any reason it will become necessary to calculate Rent for irregular periods of less than one year, an appropriate pro-rata adjustment will be made on a daily basis in order to compute Rent for that irregular period.

**4.13 Place of Payment**

All payments required to be made to the Landlord under this Lease will be made to the Landlord or the Landlord’s agent at the address referred to in Item (a) of the Summary of Certain Basic Lease Provisions, unless otherwise directed by the Landlord.

**4.14 Rent Disputes**

The Tenant may dispute an invoice, billing, or statement in respect of Rent only by giving written notice to the Landlord specifying the basis of the dispute within *[60]* days after delivery of the invoice, billing, or statement, as the case may be. The Tenant will, in any event, continue to pay Rent in accordance with the Landlord’s invoice, billing, or statement until the dispute is resolved. No dispute in respect of any invoice, billing, or statement issued to the Tenant is valid unless the procedure set out above is strictly complied with.

**4.15 Security Deposit**

The Tenant has deposited with the Landlord or forthwith following execution and delivery of this Lease by the Landlord will deposit the Security Deposit. The Security Deposit will be held by the Landlord as security for the faithful performance by the Tenant of all of the provisions of this Lease to be performed or observed by the Tenant. If the Tenant fails to pay Rent or otherwise defaults with respect to any provision of this Lease, the Landlord may use, apply or retain all or any portion of the Security Deposit for the payment of any Rent in default, or for the payment of any other expense (including legal fees on a full indemnity basis) that the Landlord may incur by reason of the Tenant’s default, or to compensate the Landlord for any loss or damage that the Landlord may suffer thereby. If the Landlord so uses or applies all or any portion of the Security Deposit, the Tenant will within *[10]* days after demand therefor deposit cash with the Landlord in an amount sufficient to restore the Security Deposit to the full amount thereof. The Landlord will not be required to keep the Security Deposit separate from its general accounts. If the Tenant performs all of the Tenant’s obligations hereunder, the Security Deposit, or so much thereof as has not theretofore been applied by the Landlord, will be returned, without payment of interest or other increment for its use, to the Tenant at the expiration of the Term, and after the Tenant has vacated the Premises in accordance with the provisions of this Lease. No trust relationship is created herein between the Landlord and the Tenant with respect to the Security Deposit. The Landlord may deliver the Security Deposit to any assignee of the Landlord’s interest in this Lease, the Premises, or the Shopping Centre, upon which delivery the Landlord will be released from any further liability with respect to the Security Deposit.

**4.16 Net Lease**

The Tenant acknowledges and agrees that it is intended that this Lease will be a completely carefree net lease for the Landlord except as will be otherwise provided in the specific provisions contained in this Lease, and that the Landlord will not be responsible during the Term for any costs, charges, expenses, and outlays of any nature whatsoever arising from or relating to the Premises or the Centre, and the Tenant, except as otherwise provided for in the specific provisions contained in this Lease, will pay all, or a proportionate part of, as the case may be, charges, impositions, and costs of every nature and kind relating to the Premises and the Centre, whether or not referred to herein and whether or not within the contemplation of the Landlord and the Tenant.

**5. CONDUCT OF BUSINESS**

**5.1 Use and Operation of Premises**

The Tenant covenants with the Landlord that:

(a) Use of Premises

The Tenant will not use or occupy the Premises or any part thereof for any purpose other than the operation of the retail business described in Item (f) of the Summary of Certain Basic Lease Provisions without the prior written consent of the Landlord. The Tenant will only conduct its business under the name referred to in Item (e) of the Summary of Certain Basic Lease Provisions and will not change the name of the business or practice to be conducted from or in the Premises without the prior written consent of the Landlord, which consent will not be unreasonably withheld. The Tenant will promptly advise the Landlord of any such name change and if the name should conflict with the name of another tenant or its business name, it will be reasonable for the Landlord to withhold consent to the name change.

(b) No Representations as to Use

Notwithstanding Landlord consent or agreement to an application or request to the City to use the Premises for a particular use, or for permits, including development, building, and occupancy for such use, the Landlord makes no representations or warranties, express or implied, as to the condition or suitability of the Premises, including fixtures, for the Tenant’s use or intended use, and as to whether necessary approvals can be obtained for the Tenant’s use or intended use, and the Tenant acknowledges and agrees that the Landlord makes no such representations or warranties and no representations or warranties as to the condition of the Premises and common areas, or any part thereof, including, but not limited to, the HVAC and other building systems, the indoor air quality within the Premises and common areas, and the environmental condition of the Premises and common areas. The Tenant accepts the Premises in its condition at the commencement of the Term and on an “as is/where is” basis and agrees that the use of the Premises and all appurtenances thereto are at the sole risk of the Tenant without any recourse against the Landlord.

(c) Prohibited Uses

(i) The Tenant will not, at any time, unless expressly consented to in writing in advance by the Landlord (and without limiting the generality of Section 5.1(a)), conduct on the Premises an auction sale, nor any “distress sale”, “bankruptcy sale”, “going out of business sale”, “bulk sale”, or any other sale designed to convey to the public that business operations are to be discontinued, and will only provide services and sell merchandise, if merchandise is being offered for sale, in the regular course of trade as a retail merchant for the purpose for which the Premises are leased. The Tenant will not conduct or carry on any of the following businesses on the Premises:

(A) any manufacturing operation;

(B) any mail-order business or catalogue sales;

(C) a store conducted principally or in part for the sale of second-hand goods, war surplus stock, insurance salvage stock, or fire sale stock, or the sale of merchandise damaged by fire except in the event of a fire taking place on the Premises and then only for sale of merchandise damaged by such fire;

(D) a pawn shop;

(E) any operation in which the Tenant uses any fraudulent or deceptive advertising or selling procedures;

(F) any outdoor selling;

(G) the sale of fireworks and firecrackers;

(H) any other business that, because of the merchandise likely to be sold or the merchandising methods likely to be used, would in the opinion of the Landlord tend to lower the character of the Centre;

(I) any operation in any line of merchandise that makes a practice of unethical or deceptive advertising and/or selling procedures; or

(J) *[[optional] any cannabis or marijuana related business, including the sales of cannabis, marijuana, or related products*; *or]*

(K) *[[if applicable] any business that would conflict with any provisions of the bylaws or rules and regulations of the Strata Corporation]*; or

(L) an employment or personnel office.

If the Tenant conducts a “bankruptcy sale” with the prior written consent of the Landlord, the Tenant will pay 10% of the gross receipts from a “bankruptcy sale” held by the Tenant in the Premises.

(ii) Any sales, other than those prohibited under Section 5.1(c)(i), will not exceed *[number of days]* consecutive days.

(d) To Operate During the Term

The Tenant will not during the Term vacate the Premises either in whole or in part, whether actually or constructively, but will:

(i) commence and conduct its business from the entire Premises from not later than the earlier of the Term Commencement Date or the earliest Rent Commencement Date;

(ii) continuously, actively, and diligently carry on in the Premises the type of business for which the Premises are leased to the Tenant;

(iii) keep in stock in the Premises a full line of merchandise for the purpose of carrying on its retail business, maintain an adequate sales force to properly serve all customers, and operate its business in an efficient and diligent manner;

(iv) warehouse, store, or stock only such goods, wares, and merchandise as the Tenant intends to offer for retail sale in the Premises;

(v) in the case of sales from the Premises, record at the time of sale, in the presence of the customer, all receipts from sales or other transactions, whether for cash or credit, in a cash register or cash registers having a cumulative total which will be sealed in a manner approved by the Landlord, and having such other features as will be approved or required by the Landlord.

(e) Selling Area

The Tenant will devote not less than *[percentage]* of the Rentable Area of the Premises to selling area.

(f) Merchandise on Common Areas

The Tenant will not keep, display, or sell any merchandise on, or otherwise obstruct or use any part of, the Common Areas, except as permitted in writing by the Landlord.

(g) Radius Restriction

If at any time during the Term, the Tenant, or any officer or shareholder of the Tenant, directly or indirectly engages in or furnishes any financial aid or other support or assistance of any nature to any business, enterprise, or undertaking that in any manner or degree is competitive with the use of the Premises as set out in Item (f) of the Summary of Certain Basic Lease Provisions, and if such competitive business, enterprise, or undertaking is in whole or in part conducted from premises situate within a distance of *[number]* kilometers from any part of the Centre, then save and to the extent that the Landlord gives its prior written consent to the Tenant, which consent may be withheld solely at the Landlord’s discretion, then for the purpose of calculating the Percentage Rent the entire amount of Gross Revenue (as defined in this Lease) derived from that competitive business, enterprise, or undertaking will be added to the Gross Revenue arising from the business operations of the Tenant in the Premises. This provision will not apply to any business enterprise of the Tenant that is in operation as of the earlier of the Term Commencement Date or the earliest Rent Commencement Date provided that the Tenant notifies the Landlord in writing of such business, enterprise, or undertaking prior to the execution of this Lease by the Landlord. The Tenant warrants and represents that the execution and delivery of this Lease does not offend or breach any restrictive covenant by which it is bound to any other party.

(h) Signs and Advertising

Except as approved as part of the Tenant’s Work or otherwise approved by the Landlord, the Tenant will not erect or place, or permit to be erected or placed, or maintain any signs of any nature or kind whatsoever either on the exterior walls of the Premises or on the walls of the Centre, if applicable, or elsewhere in the Centre; nor will the Tenant erect or place, or permit to be erected or placed in the display windows any travelling or flashing lights, sign, decoration, lettering, or advertising matter of any kind, including signs placed in the interior of the Premises for exterior view, without first obtaining the Landlord’s written consent in each instance; and provided further all approved signs will comply with the Landlord’s signage policy attached as Schedule D, as amended or replaced from time to time, and all Applicable Laws.

(i) Name of Centre

The Tenant will, in referring to the Centre, use only the name designated from time to time by the Landlord.

(j) Nuisance

The Tenant will not carry on or engage in or perform or permit to be carried on, performed, or permitted on the Premises any business practice or act or activity that may be a nuisance or a menace or that in any way may injure the Centre or any part thereof; or cause or permit annoying noises (including loudspeakers, television, stereos, radios, or other devices in a manner so as to be seen or heard outside the Premises) or vibrations, or offensive odours to issue from the Premises; or cause or permit any oil or grease or Hazardous Substances or explosive matter or substance to be discharged into the Premises or into adjoining premises or into Common Areas, drains, or sewers, and will take all reasonable measures for ensuring that any effluent discharged will not be corrosive, poisonous, or otherwise harmful or hazardous, or cause obstruction, deposit, or pollution within the Centre. The Landlord may determine in its sole discretion whether the Tenant is in breach of this Section 5.1(j).

(k) Business Hours Restriction

The Tenant will not, during the Term, support the enacting or renewal of any bylaw or law amending business hours in the Centre.

(l) Advertising Assignment of Lease

The Tenant will not print, publish, post, display, or broadcast any notice or advertisement with respect to the assignment of this Lease, the subletting or licensing of the Premises in whole or in part, or the sale of the business conducted thereon, nor permit any broker or other person to do any of the foregoing, without first getting the consent in writing of the Landlord.

(m) Glass

The Tenant will restore forthwith, at its expense, and with glass of the same colour and quality, any broken or damaged glass on the Premises regardless of the cause.

(n) Telecommunications

(i) The Landlord will incur no expense or liability whatsoever with respect to any aspect of the provision of telecommunication services, including, without limitation, the cost of installation, service, materials, repairs, maintenance, interruption, or loss of telecommunication service.

(ii) The Tenant may utilize a telecommunication service provider (a “TSP”) of its choice with the Landlord’s prior written consent, but:

(a) if the TSP is required to provide or install facilities in the Centre in order to enable it to provide service to the Tenant, the Landlord must first determine that there is sufficient space in or on the Centre for the installation of the TSP’s facilities and that the TSP is acceptable to the Landlord; and

(b) if the TSP intends to install, or has installed or purchased facilities situated in the Centre for the purpose of providing telecommunication services to tenants in the Centre, the Landlord may require the TSP to execute and deliver the Landlord’s standard form of TSP licence agreement.

(iii) The Landlord may deem it desirable to provide a central telecommunications cable distribution system (“CDS”) in the Centre for use by TSPs and tenants. If the Landlord provides a CDS, the Tenant’s TSP or the Tenant, as the case may be, may be required by the Landlord to use the CDS for its communications cabling needs on terms and conditions to be set by the Landlord. These terms and conditions will include obligations for the TSP, or the Tenant, as the case may be, to pay user fees and to contribute to Operating Costs associated with the CDS and a complete release of the Landlord and indemnity from the TSP, or the Tenant, as the case may be, in respect of the use of the CDS.

(iv) If the Tenant’s approved TSP does not have a point of connection in the Premises, the Tenant may be required to install its own cable and facilities or to purchase cable and facilities from the Landlord for installation in the communication pathways and risers of the Centre for connection to the Tenant’s TSP’s facilities in the main terminal room, at the main distribution frame or at other points of connection designated by the Landlord. In such case: (i) the Tenant may be required to pay access fees; (ii) the Tenant may be required to remove such cable and facilities and restore any damage caused by the removal, or, at the Landlord’s option, to pay the cost of removal and restoration; (iii) the Tenant will be required to contribute to the costs of riser management incurred by the Landlord; (iv) the Tenant will be required to abide by any policies, directions, or requirements of any riser manager retained by the Landlord and to pay, in addition, any direct costs invoiced to the Tenant by the riser manager in respect of plan review charges, inspection charges, and other services provided by the riser manager to the Tenant.

(v) If required by the Landlord, the Tenant will change its TSP if the licence agreement referred to in subsection (ii) above is terminated or expires and is not renewed. The Tenant acknowledges that the Landlord has no obligation to ensure continuation of services by the Tenant’s TSP or any other TSP in the Centre.

(vi) The Landlord may require, upon *[30]* days’ prior written notice, that the Tenant relocate all or any portion of the cables or facilities installed by it.

(vii) At the end of the Term, at the request of the Landlord, the Tenant will remove all cabling (including voice and data) installed for its use.

(o) Energy Conservation and Security

The Tenant covenants with the Landlord that:

(i) the Tenant will cooperate with the Landlord in the conservation of all forms of energy in the Centre, including without limitation in the Premises;

(ii) the Tenant will comply with all Applicable Laws relating to the conservation of energy and affecting the Premises or the Centre;

(iii) the Tenant will, at its own cost and expense, comply with all reasonable requests and demands of the Landlord with respect to all programs and systems instituted by the Landlord in connection with reducing the costs of energy consumed in the Centre, security of the Centre, and safety of the Centre, including the Premises, provided that such requests are made in accordance with good management practice and would be made by a prudent owner of like property of like age; and

(iv) the Tenant will pay the Tenant’s Proportionate Share of the cost of any machinery, equipment, facilities, systems or property installed by the Landlord for the purposes or intent of conserving energy, improving or reducing costs of security, or improving the safety of the Centre, including the Premises, whether on a capital outlay basis or leasing basis.

The Landlord will not be liable to the Tenant in any way for any loss, costs, damages, or expenses, whether direct or consequential, paid, suffered, or incurred by the Tenant as a result of any reduction in the services provided by the Landlord to the Tenant or to the Centre as a result of the Landlord’s compliance with such Applicable Laws.

**5.2 Tenant to Discontinue at Request of Landlord**

Any business conduct or practice promulgated, carried on, or maintained by the Tenant, whether through advertising or selling procedures or otherwise, that may harm or tend to harm the business or reputation of the Landlord or reflect or tend to reflect unfavourably on the Centre, the Landlord, or other tenants of premises in the Centre, or that might tend to confuse, mislead, deceive, or be fraudulent to the public, will be immediately discontinued by the Tenant at the request of the Landlord.

**5.3 Specific Performance**

The Tenant acknowledges that all its covenants and obligations set forth in Section 5.1 are covenants and obligations designed for the mutual benefit and protection of all tenants of premises in the Centre and to render the Centre as a whole of maximum attractiveness to the public, and to achieve the maximum volume of business therein. If the Tenant is in breach of any such covenants or obligations or fails to observe or perform any of them, then without prejudice to any other right or remedy that the Landlord may have under the terms of this Lease or otherwise at law or equity, the Landlord will have the right to bring action in any court of competent jurisdiction against the Tenant for a judgment or order directing the Tenant to remedy such breach and to observe and perform such covenant or obligation.

**5.4 Failure of the Tenant to Carry on Business**

If the Tenant fails to carry on business at all times in accordance with this Lease, the Landlord may:

(a) collect (in addition to Basic Rent and Additional Rent) an additional charge at a daily rate of *[amount]* per square foot of the Total Rentable Area or *[amount]* whichever is the greater, for each day of default (the additional charge being a liquidated sum representing the minimum damages that the Landlord is considered to have suffered as a result of the lack of participation by the Tenant in the general synergy and interdependence of the Premises of the Centre, and being without prejudice to the Landlord’s right to recover other damages); and

(b) use its other remedies for the Tenant’s default, including obtaining an injunction or an order for specific performance in a court of competent jurisdiction to restrain the Tenant from defaulting under this Section 5.4 and a mandatory injunction to compel the Tenant to open or reopen the Premises for business to the public in accordance with this Lease. The Tenant consents to the Landlord obtaining those injunctions upon the Landlord establishing by affidavit or other evidence that the Tenant has defaulted or that the Landlord has reasonable cause to believe that the Tenant is about to default under this Section.

**6. REPAIRS**

**6.1 Covenants**

The Tenant covenants with the Landlord that:

(a) Tenant’s Repairs

The Tenant will at all times during the Term at its own cost and expense:

(i) repair, maintain, and keep the Premises in good order and repair, as a prudent owner would do; and

(ii) repair, maintain, and keep all equipment, furniture, and fixtures, including trade fixtures, in the Premises in good order and repair and replace the same when necessary, as a prudent owner would do, including, without limitation, the floor, exterior and interior doors, exterior storefronts, windows, plate glass, partitions, lighting, wiring, heating, ventilating, and air-conditioning (situated within the Premises), plumbing, sprinkler, mechanical and electrical equipment, and fixtures, including all the parts, wiring, and pipes thereof, within the Premises, and any improvements now or hereafter made to the Premises, except repairs for which the Landlord is responsible under Section 6.2; and the Tenant covenants to perform such maintenance and to effect such repairs and replacements at its own cost and expense as and when necessary or reasonably required so to do by the Landlord.

(b) Painting

The Tenant will keep well painted at all times the interior of the Premises in accordance with the reasonable requests of the Landlord from time to time in such colours as will have first been approved in writing by the Landlord, such approval not to be unreasonably withheld or delayed.

(c) Landlord’s Examination of Premises

The Landlord and any employee, servant, or agent of the Landlord will be entitled, at any reasonable time during normal business hours and during any emergency, to enter upon the Premises and examine the state of maintenance, repair, and order of the Premises, all equipment and fixtures within the Premises and any improvements now or hereafter made to the Premises, and the Landlord may give notice to the Tenant requiring that the Tenant perform such maintenance or effect such repairs or replacements as may be found necessary from such examination. The failure of the Landlord to give such notice will not relieve the Tenant from its obligation to maintain, repair, and keep the Premises and appurtenances in good order and repair as aforesaid and to make such replacements as may be necessary.

(d) Repairs by Designated Tradespeople

The Tenant will, when necessary, and whether upon receipt of notice from the Landlord or not, effect and pay for such maintenance, repairs, or replacements as may be the responsibility of the Tenant under Sections 6.1(a) and 6.1(b), provided that no maintenance, repairs, or replacements to the structure, any perimeter wall, the storefront, the sprinkler system, the heating, ventilating, air-conditioning, plumbing, electrical, or mechanical equipment, or the concrete floor will be made without the prior written consent of the Landlord, and in so doing the Tenant will use contractors or other workers designated or approved by the Landlord in writing, such approval not to be unreasonably withheld or delayed. Section 11.2 will apply with respect to such contractors and workers. In fulfilment of its obligation to repair and maintain the heating, ventilating, and air-conditioning equipment as aforesaid, the Tenant will enter into a maintenance contract with such firm or persons as designated by the Landlord to regularly maintain and service such equipment and will within *[10]* days of being requested to do so provide the Landlord with written evidence that it has so entered into such contract and will pay when due all sums owing to such firm or persons. In the event that the Tenant fails to comply with the Landlord’s request to effect repairs, replacements, decorations, or maintenance within the time provided for by the Landlord, the Landlord may cause such repairs, replacements, decorations, or maintenance to be undertaken and Section 6.1(g) will apply.

(e) Tenant’s Fixtures and Improvements

The Tenant agrees that any goods, alterations, additions, improvements, and fixtures made to or installed upon or in the Premises, whether before or after the Term Commencement Date, other than unattached movable goods and trade fixtures, will immediately upon affixation become the property of the Landlord and remain upon and be surrendered to the Landlord with the Premises as part thereof upon the expiration or earlier termination of this Lease, unless the Landlord will by notice in writing require the Tenant to remove all or some in accordance with Section 6.1(f) below. For greater certainty, the Tenant’s trade fixtures will not include any heating, ventilating, or air-conditioning systems, facilities, and equipment in or serving the Premises, floor coverings affixed to the floor of the Premises either by cement or perimeter fastenings, light fixtures, storefront, and doors, plumbing equipment and fixtures, and internal stairways, all of which are deemed to be leasehold improvements. The Tenant represents and warrants that it will have legal and beneficial title to such goods, alterations, additions, improvements, and fixtures and that such title will pass to the Landlord free and clear of all leases, liens, mortgages, charges, security interests, and encumbrances.

(f) Repair and Restoration at the End of Term

At the end of the Term or earlier termination of this Lease, the Tenant will remove at its own expense its trade fixtures and those other alterations, additions, improvements, and fixtures that the Landlord requires, by notice in writing, to be removed and the Tenant will restore the Premises to the state in which they were prior to commencing any of the Tenant’s Work or, at the Landlord’s option, restore the Premises to a base building condition. The Tenant will at its expense make good any damage or injury caused to the Premises or the Centre resulting from such installation and removal, reasonable wear and tear only excepted. If the Tenant does not remove its trade fixtures or leasehold improvements on the expiry or earlier termination of this Lease, they will, at the Landlord’s option, become the property of the Landlord. This provision will survive the expiration or earlier termination of this Lease.

(g) Fee for Supervision

Should the Landlord deem it necessary, after giving written notice to the Tenant, to undertake any repairs or to do anything that is required to be undertaken or done by the Tenant under this Lease, then the Tenant will pay to the Landlord as a fee for supervision or carrying out the Tenant’s obligation an amount equal to *[15]*% of the monies expended or of the cost of repairs or other work carried out by or under the supervision of the Landlord, which amount will be in addition to the cost of such work or monies expended.

(h) Landlord’s Right to Enter for Repairs

The agents and representatives of the Landlord will have the right to enter the Premises at all times during business hours to examine the same, to make alterations or repairs as they will deem necessary for the safety, preservation, proper administration, or improvement of the Premises, the Centre, and any premises adjoining the Premises.

(i) Repair where the Tenant Is at Fault

If the Centre, or any part of it, requires repair, replacement, or alteration:

(i) because of the negligence, fault, omission, want of skill, act, or misconduct of the Tenant or its officers, agents, employees, contractors, invitees, or licensees;

(ii) due to the requirements of government authorities relating to the Tenant’s conduct of business; or

(iii) as a result of the Tenant stopping up or damaging the heating apparatus, water pipes, drainage pipes, or other equipment or facilities or parts of the Centre,

the cost of the repairs, replacements, or alterations plus a sum equal to *[15]*% of the cost for the Landlord’s overhead will be paid by the Tenant to the Landlord on demand as Additional Rent.

(j) Tenant Not to Overload

The Tenant will not install equipment that overloads the capacity of a utility, electrical, or mechanical facility in the Premises and will not:

(i) bring into the Premises any utility, electrical, or mechanical facility or service of which the Landlord does not approve; or

(ii) bring upon the Premises anything that might damage them or overload the floors.

If damage is caused to the Premises or to the Centre as a result of the installation of such equipment or contravention of the provisions of subsection (i) or (ii) of this Section by the act, neglect, fault, want of skill, or misuse of or by the Tenant or its officers, agents, servants, employees, contractors, invitees, licensees, or persons for whom the Tenant is responsible in law or over whom the Tenant may reasonably be expected to exercise control, or by any person having business with the Tenant, the Tenant will repair the damage or, at the Landlord’s option, pay to the Landlord on demand the cost of repairing the damage plus a sum equal to *[15]*% of the costs of the Landlord’s overhead.

**6.2 Landlord’s Repair Covenants**

So long as the Landlord does not terminate this Lease or elect not to rebuild the Centre under Section 6.3, the Landlord covenants with the Tenant as follows:

(a) Construction

Subject to Article 2 including Section 2.1 and at its own expense and cost, to carry out and complete the Landlord’s Work. The Landlord will have the right at all times to enter the Premises for the purposes of performing the Landlord’s Work.

(b) Landlord’s Repairs

To maintain and repair at its own expense the structure of the foundations, sub-floors, and outer walls (excluding exterior storefronts and the glass component thereof) of the buildings comprising the Centre.

(c) Common Areas and Common Facilities

To maintain in good order and repair the Common Areas and Common Facilities, normal wear and tear only excepted.

(d) Heating, Ventilating, and Air-conditioning

Subject to Sections 6.1(a) and 10.1, to maintain and operate the HVAC System, and to supply from the HVAC System to the Premises, processed air in accordance with Section *[Section reference]* of Schedule B, provided that if the Premises contains an independent heating, ventilating, and air-conditioning system as so designated by the Landlord, the responsibility and expense for maintaining, operating, and replacing that system will rest with the Tenant.

**6.3 Damage or Destruction**

The Landlord and the Tenant agree that:

(a) Damage or Destruction

(i) Subject to the Landlord’s right of termination contained in Section 6.3(a)(ii) and subject to this Section 6.3, if the Premises or any part thereof will at any time during the Term be destroyed or damaged as a result of a casualty fully insured against by the Landlord, the Landlord will rebuild, repair, and make the Premises fit for the purpose of the Tenant to the standard required in Schedule B. If such damage or destruction is not caused by or resulting from any act, omission, default, or negligence of the Tenant, or persons for whom the Tenant is in law responsible, and if as a result of such occurrence the Premises are rendered unfit either in whole or in part for the business of the Tenant, then the Basic Rent hereby reserved, or a proportionate share thereof according to the nature and extent of the destruction or damage sustained, will be suspended and abated until the Landlord will have rebuilt, repaired, or made fit the Premises for the purpose of the Tenant to the standard required in Schedule B.

(ii) In the event of damage to *[50]*% or more of the area of the buildings forming part of the Centre apart from the Major Tenants, or of the substantial destruction of the Centre (whether or not in either event the Premises are damaged), the Landlord will, at its option to be exercised within *[90]* days after the occurrence of such damage or destruction, by notice in writing to the Tenant, have the right to terminate this Lease, and upon the giving of such notice the Term will forthwith cease and terminate. If, in any of the aforesaid events, the Premises are unfit either in whole or in part for the business of the Tenant, then, provided such damage or destruction is as a result of a casualty fully insured against by the Landlord and not caused by or resulting from any act, omission, default, or negligence of the Tenant, or persons for whom the Tenant is in law responsible, including, without limitation, its servants, agents, employees, and contractors, the Basic Rent hereby reserved, or a proportionate share thereof according to the extent to which the Premises cannot be used for the business of the Tenant, will be suspended and abated until the Landlord has rebuilt, repaired, or made fit the Premises for the purpose of the Tenant, to the standard required in Schedule B, provided that the Landlord has not exercised its aforesaid right of termination. If the Landlord has exercised its right of termination, the Tenant, after receipt of such notice of termination, will forthwith deliver up possession of the Premises to the Landlord and make payment of the Rent up to the date of the damage or destruction, depending on the circumstances of the damage and destruction as provided for therein. Any Basic Rent that will have continued unabated or partially abated, and all Additional Rent, will be apportioned to the date of such termination, provided that such termination will not affect the obligation of any Indemnifier of the Landlord arising from obligations of the Tenant existing prior to the date of such notice of termination.

(iii) If the damage or destruction referred to in Section 6.3(a) is caused by or resulting from any act, omission, default, or negligence of the Tenant, or persons for whom the Tenant is in law responsible and the Landlord exercises its right in Section 6.3(a)(ii) to terminate this Lease, the Tenant will pay to the Landlord on the date of termination that fraction of the Tenant Inducements, if any, that has as its numerator the number of days remaining in the Term; and has as its denominator the number of days in the Term as originally provided herein.

(iv) The terms “Centre” and “Premises”, for the purposes of Sections 6.3(a)(i) and 6.3(a)(ii), will be deemed not to include the improvements installed in the Premises under the provisions of Schedule B respecting Tenant’s Work.

(b) Tenant’s Obligation to Rebuild

Subject to Section 6.3(a), in the event of damage or destruction as contemplated by this Section, the Tenant will at its sole expense, at the request of the Landlord, repair and rebuild that part of the Premises so damaged or destroyed, in accordance with the provisions of Schedules B and C with all due diligence, but without the benefit of any Tenant Inducements.

(c) Landlord’s Obligation to Rebuild

Nothing in this Article 6 will obligate the Landlord to rebuild the Centre or any part thereof, and if the Landlord elects to rebuild or repair the Centre it may make such changes, alterations, modifications, adaptations, or extensions in, to, or of the original buildings or structures forming part of the Centre, including the location of the Premises, as it in its unfettered discretion sees fit.

**7. COMMON AREAS**

**7.1 Use of Common Areas**

The Landlord hereby grants to the Tenant, its agents, employees, invitees, and other persons transacting business with it, in common with all others entitled thereto, a licence to have the use of certain of the Common Areas as designated from time to time by the Landlord; provided, however, that such use will be subject to all other provisions contained in this Lease including the Rules and Regulations *[in Schedule G]*.

**7.2 Covenants**

The Tenant covenants with the Landlord that:

(a) Tenant’s Use of Parking Areas

The Tenant, its employees, suppliers, and other persons not customers having business with the Tenant will be prohibited from using for the parking, loading, and unloading of vehicles, any part of the customer parking areas such as may be designated and changed from time to time by the Landlord. Tenant and employee parking will be limited to specified times and places, arranged so as to cause minimal interference with business within the Centre. Parking will be regulated by the Landlord in a reasonable manner, and the Tenant and its employees, suppliers, and other persons who are not customers will abide by such regulations as may from time to time be established by the Landlord. The Tenant will supply its employees’ automobile licence numbers to the Landlord and will forthwith notify the Landlord of any changes thereto. If the Tenant or its employees park their vehicles in areas of the Centre other than those areas designated for such parking by the Landlord, the Landlord will have the right to charge the Tenant $*[amount]* per vehicle per day, or part thereof, that such vehicle is so parked.

(b) Landlord’s Right to Remove Vehicles

Should the Tenant, its employees, suppliers, and other persons not customers having business with the Tenant park vehicles in areas not allocated for that purpose, the Landlord will have the right to remove such vehicles, and the Tenant will indemnify and save harmless the Landlord from any and all damages arising therefrom, and the Tenant will pay the costs of such removal.

(c) Control of Common Areas and Common Facilities

The Landlord will, at all times, have the exclusive right of control over the Common Areas and the Common Facilities. Without limitation, the Landlord may in its operation of the Centre:

(i) close parts of the Common Areas to prevent their dedication or the accrual of rights in them in favour of persons or the public; grant, modify, and terminate easements and other agreements pertaining to the use and operation of the Centre or any part of it; and temporarily obstruct or close off or shut down parts of the Centre for inspection, maintenance, construction, or safety reasons;

(ii) employ personnel, including supervisory personnel and managers, for the operation, maintenance, and control of the Centre. The Centre or parts of it may be managed by the Management Company;

(iii) use parts of the Common Areas for merchandising, display, decorations, entertainment, and structures, permanent or otherwise, designed for retail selling or special features or promotional activities;

(iv) regulate, acting reasonably, all aspects of loading and unloading, delivery and shipping of fixtures, equipment, and merchandise, and all aspects of garbage collection and disposal. The Tenant is responsible for pick-up and disposal of its garbage at its cost. If the Landlord provides facilities or designates a commercial service for the pick-up and disposal of garbage instead of or in addition to the service provided by the City, the Tenant will use the facilities and commercial service at its cost;

(v) construct other buildings, structures, or improvements in the Centre and make alterations of, additions to, subtractions from, or rearrangements of the Centre, build additional stores in any part of the Centre, and construct additional stories, buildings, or facilities adjoining or near the Centre;

(vi) install kiosks and other installations, permanent or otherwise, in or on the Common Areas;

(vii) diminish, expand, alter, relocate, or rearrange the buildings, parking facilities, and other parts of the Centre, and with the consent of the Tenant, such consent not to be unreasonably withheld, relocate or rearrange the Premises from that shown on Schedule F but subject to Article 18; and

(viii) do and perform such other acts in and to the Centre as, in the use of good business judgment, the Landlord determines to be advisable for the proper operation of the Centre.

Despite anything else in this Lease, the Landlord has no liability for diminution or alteration of the Common Areas or Common Facilities that occurs as a result of the Landlord’s exercise of its rights under this Section 7.2(c) or elsewhere under this Lease, and the Tenant will not be entitled to compensation or a reduction or abatement of Rent, and no such diminution or alteration of the Common Areas or Common Facilities will be deemed to be a constructive or actual eviction of the Tenant or a default by the Landlord of any obligation for quiet enjoyment contained in this Lease or provided at law.

**7.3 Landlord’s Covenants Regarding Common Areas**

(a) Customer Parking

At all times during the Term the Landlord will maintain parking facilities as required by law.

(b) Maintenance of Parking

The parking areas will be kept reasonably clear of snow and in suitable condition for the purposes of the Tenant and other tenants of the Centre, and will be adequately lit during such hours as in the Landlord’s opinion are required.

(c) Common Use of Parking

The customers of the Tenant will be entitled, during the regular business hours of the Centre, to the use of the parking areas in common with other tenants in the Centre and the customers of other tenants.

(d) Enclosed Areas

The Landlord will light, heat, and air-condition the enclosed areas of the Centre.

(e) Operation of Regular HVAC System

The Landlord will operate the HVAC System serving the Premises so as to provide conditions of adequate comfort in the Premises during business hours except during the making of repairs, inspections, overhauling, or replacement.

If the HVAC System is damaged or destroyed or, in the opinion of the Landlord, requires repair, inspection, overhauling, or replacement, the Landlord will carry out such work with all reasonable diligence. The Landlord will not be responsible for any loss, damages, or costs arising from the failure of such equipment or systems to perform their function if the number of persons in the Premises at any one time exceeds a reasonable number or if the electrical load from lights and power in the Premises is excessive or if such failure results from any arrangement of partitioning in the Premises or change or alteration thereto or if the window covering on exterior windows is not kept fully closed while the windows are exposed to direct sunlight. The Landlord will not be liable for direct, indirect, or consequential damage or damages for personal discomfort or illness of the Tenant or its employees, invitees, or other persons transacting business with it by reason of the operation or non-operation of such systems and equipment. In no event will Rent abate during any non-operation.

**7.4 Parking Charges**

The Landlord reserves the right to impose charges for the use of the parking areas. Such rates and charges will be determined by the Landlord, having regard to the parking facilities provided, but it is expressly agreed that rates and charges may be in an amount sufficient in the judgment of the Landlord to discourage long-term and non-customer parking and to secure a sufficient turnover and number of parking spaces to accommodate customers of the Centre. Any such rates and charges collected by the Landlord will be credited towards the Occupancy Costs.

**7.5 Security Services**

(a) The Landlord may provide security services for the Centre so as to reasonably ensure that access to the Centre during other than regular business hours will be restricted to those persons entitled to be allowed entry to the Centre, provided they comply with the requirements established by the Landlord.

(b) The Tenant acknowledges that the Landlord will not be responsible for any act or omission on the part of any person employed or retained to provide security service pursuant to this Section or for any loss thereby sustained by the Tenant, the Tenant’s employees, agents, invitees, or others.

**7.6 Health Emergency**

If a Health Emergency exists, the Landlord may amend, supplement, or otherwise enforce any existing Health Emergency rules or regulations in existence, impose additional rules and regulations, and impose restrictions to mitigate or minimize the effects of the Health Emergency. Without limiting the generality of the foregoing, during a Health Emergency the Landlord will be entitled to:

(a) restrict or limit access to the Premises and the Centre to employees of the Tenant only, and/or to prohibit entry by visitors or invitees for a reasonable period of time during such event;

(b) require the Tenant to decontaminate all or any part of the Premises, in a manner reasonably approved by the Landlord, failing which the Landlord will be entitled to enter the Premises and do so at the Tenant’s expense. Any steps that the Landlord may choose to take are in its sole and unfettered discretion and nothing herein will obligate the Landlord to effect any such decontamination;

(c) close all or any part of the Premises or the Centre if it determines that it is not safe to continue to operate the Premises or the Centre or certain parts of the Centre; and

(d) specify specific modes of ingress and egress from and to the Centre and the Premises for tenants generally, or for specific tenants, occupants, or invitees who may have a heightened risk of either exposure to a health threat or a heightened risk of transfer of unhealthy condition to other tenants, invitees, or visitors in the Centre or the Premises. The Tenant will, immediately upon becoming aware of same, inform the Landlord of any outbreak of an infectious disease amongst its employees where such outbreak may impact the health and/or safety of other tenants in the Centre or lead to a Health Emergency.

Notwithstanding this Section 7.3, the Landlord agrees that in its exercise of any rights or entitlements under this Section 7.3, it will act reasonably.

**8. ACCESS**

**8.1 Access**

The Landlord, its agents, contractors, and representatives will be entitled at all times, except when there would be an unreasonable interference or disturbance with the Tenant’s use of the Premises, to enter upon the Premises for any of the following purposes:

(a) inspecting same and carrying out the rights of the Landlord under Section 6.1;

(b) inspecting the performance by the Tenant of the terms, covenants, agreements, and conditions of this Lease;

(c) carrying out any obligations of the Tenant that the Tenant has failed to observe;

(d) exhibiting the Premises to prospective lessees, purchasers, lenders or their respective agents; or

(e) any other reasonable purpose,

but no such entry will constitute an eviction or a breach of the Landlord’s covenant for quiet enjoyment or entitle the Tenant to any abatement of rent provided that the Landlord will use commercially reasonable efforts to minimize interference with the Tenant’s use of the Premises.

**8.2 Materials, Keys, etc.**

When entering the Premises pursuant to Section 8.1, the Landlord, its employees, and agents will be allowed to take onto the Premises all material that may be required for such purposes. The Landlord will be entitled to use a master key or unlocking system for purposes of entering the Premises or any other improvement permitted under the provisions of this Lease. The Tenant will not change such unlocking system or key without the Landlord’s consent. If the Landlord consents to any such change, it will be a condition of such consent that any new system will be compatible with the rest of the Centre.

**8.3 Liability for Monitoring Systems**

The Tenant agrees that the Landlord will not be liable or responsible for, and the Tenant will hold and save the Landlord harmless from, any costs (including legal fees on a full indemnity basis), expenses, losses, or damages that either the Landlord or the Tenant may suffer or incur as a result of:

(a) charges claimed by third parties for monitoring security systems and responding to security systems located on, in, or in respect of the Premises;

(b) charges claimed by the City for City police or other City personnel responding to security monitoring systems located on, in, or in respect of the Premises;

(c) the Landlord’s personnel responding and assisting third party security personnel, City police, or City personnel to respond to security monitoring systems located on, in, or in respect of the Premises; and

(d) inability of the Landlord’s personnel to enter the Premises as a result of security monitoring systems, for any purpose set out herein including the safety and security of the Centre (for example, inability to prevent escaping water and resulting damage).

**9. INSURANCE**

**9.1 Tenant to Insure**

The Tenant covenants with the Landlord that it will, at the Tenant’s cost and expense, take out and keep in force the insurance described below throughout the Term and any period when it is in possession of the Premises. The Tenant covenants to maintain insurance as follows:

(a) all risks (including flood and earthquake) property insurance in an amount equal to 100% of the full replacement cost:

(i) insuring all property owned by the Tenant, or for which the Tenant is legally liable, or installed by or on behalf of the Tenant, and located within the Centre, including, but not limited to, fittings, installations, alterations, additions, partitions, and all other leasehold improvements; and

(ii) insuring the Tenant’s inventory, furniture, and movable equipment to the extent that such insurance is commercially available; and

(iii) naming the Landlord and any Mortgagee as a loss payee as their respective interests may appear;

(b) broad form boiler and machinery insurance on a blanket repair and replacement basis with limits for each accident in an amount of at least the replacement cost of all leasehold improvements and of all boilers, pressure vessels, air-conditioning equipment, and miscellaneous electrical apparatus owned or operated by the Tenant or by others (except for the Landlord) on behalf of the Tenant in the Premises, or relating to, or serving the Premises;

(c) business interruption insurance in an amount that will reimburse the Tenant for direct or indirect loss of earnings attributable to all perils insured against under Sections 9.1(a) and 9.1(b), and other perils commonly insured against by prudent tenants, or attributable to prevention of access to the Premises or the Centre as a result of those perils;

(d) commercial general liability insurance including personal injury liability, contractual liability, non-owned automobile liability, employers’ liability, and owners’ and contractors’ protective insurance coverage, with respect to the Premises and the Tenant’s use of the Common Areas and Common Facilities, with coverage including the activities and operations conducted by the Tenant and any other person on the Premises and by the Tenant and other person performing work on behalf of the Tenant and those for whom the Tenant is in law responsible, in any other part of the Centre. These policies will:

(i) be written on a comprehensive basis with inclusive limits of at least $*[5,000,000]* per occurrence for bodily injury for any one or more persons, or property damage (but the Landlord acting reasonably, or any Mortgagee of the Centre, may require higher limits from time to time);

(ii) contain a severability of interests section and cross-liability sections; and

(iii) name the Landlord and any Mortgagee of the Centre as additional insureds;

(e) tenant’s legal liability insurance for the full replacement cost of the Premises, including loss of their use;

(f) standard owner’s form automobile insurance providing third party liability insurance with $*[2,000,000]* inclusive limits, and accident benefits insurance, covering all licensed vehicles owned or operated by or on behalf of the Tenant; and

(g) any other form of insurance and with whatever higher limits the Tenant, the Landlord, acting reasonably, or any Mortgagee of the Centre requires from time to time, in form, in amounts, and for risks against which a prudent tenant would insure.

The policies specified under Sections 9.1(a), 9.1(b), and 9.1(c) will contain a standard mortgage clause and may have reasonable deductibles of up to *[percentage]* of the amount insured. If there is a dispute as to the amount of the full replacement cost, the Landlord will determine it.

The policies specified under Sections 9.1(a), 9.1(b), and 9.1(c) will contain a waiver of any subrogation rights that the Tenant’s insurers may have against all and any of the Landlord, any Mortgagee of the Centre, and those for whom all and any of them are or is in law responsible, whether or not the damage is caused by their act, omission, or negligence. The Tenant hereby waives its rights of subrogation against such parties.

All policies will:

(a) be taken out with insurers acceptable to the Landlord;

(b) be in a form satisfactory to the Landlord;

(c) be non-contributing with, and will apply only as primary and not in excess to any other insurance available to the Landlord and any Mortgagee of the Centre;

(d) not be invalidated with respect to the interests of the Landlord and any Mortgagee of the Centre by reason of any breach or violation of warranties, representations, declarations, or conditions contained in the policies; and

(e) contain an undertaking by the insurers to notify the Landlord or any Mortgagee of the Centre in writing not less than 30 days before any material change, cancellation, or termination.

The Tenant will deliver certificates of insurance duly executed by the Tenant’s insurers evidencing that the required insurance is in force, or, if required by the Landlord or any Mortgagee of the Centre, the Tenant will deliver certified copies of each insurance policy as soon as possible after the placing of the insurance. No review or approval of any insurance certificate or insurance policy by the Landlord derogates from or diminishes the Landlord’s rights under this Lease.

**9.2 Not to Affect Landlord’s Insurance**

The Tenant will not do or permit anything to be done that results in the cancellation or threatened cancellation or the reduction or threatened reduction of coverage under any insurance policy on the Centre or any part of it. The Tenant will not do or permit to be done, or omit to do, anything that will cause or have the effect of causing the rate of insurance upon the Centre or any part thereof to be increased, and if the insurance rate will be thereby increased the Tenant will pay to the Landlord as Additional Rent the amount by which the insurance premiums will be so increased. The Tenant will not store or permit to be stored upon or in the Premises anything that is of a dangerous, inflammable, or explosive nature nor anything that would have the effect of increasing the Landlord’s insurance costs or of leading to the cancellation of such insurance. If any insurance policy upon the Premises or the Centre is cancelled or threatened to be cancelled by the insurer by reason of the use and occupation of the Premises or any part thereof by the Tenant or by any assignee, sub-tenant, concessionaire, or licensee of the Tenant, or by anyone permitted by the Tenant to be upon the Premises, the Landlord may at its option upon giving the Tenant 24 hours’ notice, terminate this Lease by notice in writing, and the Tenant will immediately deliver up vacant possession of the Premises to the Landlord or the Landlord may, at its option and at the expense of the Tenant, enter upon the Premises and rectify the situation causing such actual or threatened cancellation or rate increase. If the occupancy of the Premises, the conduct of business in the Premises, or anything done or omitted by the Tenant results in an increase in premiums for the insurance carried by the Landlord with respect to the Centre, the Tenant will pay the increase to the Landlord immediately on demand. In determining whether the Tenant is responsible for increased premiums and the amount for which the Tenant is responsible, a schedule issued by the organization that computes the insurance rate on the Centre showing the components of the rate will be conclusive evidence of the items that make up the rate.

**9.3 Loss Prevention**

Without limiting or restricting the Tenant’s obligations set out in Section 9.2, the Tenant will comply promptly with all loss prevention recommendations of the Landlord’s insurer pertaining to the Premises or the Centre.

**9.4 Workers’ Compensation**

If the nature of the Tenant’s operations is such as to place all or any of its employees under the coverage of local workers’ compensation or similar insurance, the Tenant will also keep in force at its expense, so long as this Lease remains in effect, workers’ compensation or similar insurance according to Applicable Laws and will provide evidence of same to the Landlord.

**9.5 Landlord to Insure**

The Landlord will maintain, throughout the Term, in those reasonable amounts and with those reasonable deductions that a prudent owner of a centre similar to the Centre would maintain, having regard to size, age, and location:

(a) all risks insurance on the Centre (excluding the foundations and excavations) and the machinery, boilers, and equipment contained in it and owned by the Landlord (except property that the Tenant and other tenants are required to insure);

(b) general liability insurance with respect to the Landlord’s operations in the Centre; and

(c) whatever other forms of insurance the Landlord or any Mortgagee of the Centre reasonably consider advisable.

**9.6 No Insurable Interest in Landlord’s Insurance**

Notwithstanding any contribution by the Tenant to the Landlord’s insurance premiums as provided in this Lease, no insurable interest is conferred upon the Tenant under policies carried by the Landlord, and the Tenant has no right to receive proceeds of any of those policies. The Landlord will in no way be accountable to the Tenant regarding the use of any insurance proceeds arising from any claim, and the Landlord will not be obliged on account of such contributions to apply such proceeds to the repair or restoration of that which was insured. Where the Tenant may desire to receive indemnification by way of insurance for any property, work, or thing whatever, the Tenant will insure the same for its own account and will not look to the Landlord for reimbursement or recovery in the event of loss or damage from any cause, whether or not the Landlord has insured the same and recovered therefor. The Tenant expressly acknowledges and agrees that the Tenant is not relieved of any liability arising from or contributed to by its negligence or its wilful acts or omissions, notwithstanding any contribution by the Tenant to the Landlord’s insurance premiums.

**10. EXCLUSION OF LIABILITY AND INDEMNITY**

**10.1 Liability**

It is agreed between the Landlord and Tenant that:

(a) Interruptions

The Landlord will not be liable for any interruption of access to the Premises or of the beneficial use of the Premises or of any services or utilities when such interruption is caused by natural occurrences, riots, civil disturbances, insurrection, terrorism, war, court orders, government acts or orders, public enemy, accidents, epidemics, pandemics, outbreaks of communicable disease, quarantines, Health Emergencies, or other public or national or regional emergencies, breakage, repairs, electrical voltage fluctuations, strikes, lockouts, other labour disputes, the making of inspections, repairs, alterations, renovations, or improvements to the Premises or the Centre, the inability to obtain an adequate supply of fuel, gas, steam, water, electricity, labour, or other supplies or if required by insurers or if caused by any other condition beyond the Landlord’s reasonable control, or by delays in the performance of any work for which the Landlord is responsible under this Lease, and the Tenant will not be entitled to any damages resulting from such failure, nor will failure relieve the Tenant from its obligation to pay all sums due hereunder or constitute or be construed as a constructive or other eviction of the Tenant. If any government entity promulgates or revises any statute or ordinance or building, fire or other code, or imposes mandatory or voluntary controls or guidelines on the Landlord or the Centre or any part thereof, relating to the use or conservation of energy, water, gas, steam, light, or electricity or the provision of any other utility or service provided with respect to the Premises, or if the Landlord is required or elects to make alterations to the Centre in order to comply therewith, the Landlord may do so; and neither such compliance nor the making of such alterations will in any event entitle the Tenant to any damages, relieve the Tenant of the obligation to pay any of the sums due hereunder, or constitute or be construed as a constructive or other eviction of the Tenant; and the Landlord will not be in breach of its covenant for quiet enjoyment or liable for any loss, costs, or damages, whether direct or indirect, incurred by the Tenant due to any of the foregoing, but the Landlord will make commercially reasonable efforts to restore the services, utilities, or systems so stopped, interrupted, or reduced. The Landlord will not be liable for damages, direct, indirect, or consequential, or for damages for personal discomfort, illness, or inconvenience of the Tenant or the Tenant’s servants, employees, invitees, or other persons by reason of the failure of the Common Facilities or any of them including, without limitation, the elevators and HVAC Systems or by reason of reasonable delays in the performance of the obligations of the Landlord hereunder, whether or not such equipment failure or delays are caused by the deliberate act or omission or the negligence of the Landlord, its servants, agents, or employees.

(b) Waiver of Liability

The Landlord will not be liable or responsible in any way for, and the Tenant hereby waives all claims against the Landlord with respect to or arising out of:

(i) any death or injury of any nature whatsoever that may be suffered or sustained by the Tenant or by any employee, licensee, invitee, guest, agent, or customer of the Tenant or by any other person upon the Premises, from any causes whatsoever; or for any loss or damage or injury to any property outside or within the Premises belonging to the Tenant or its employees, agents, customers, licensees, invitees, guests, or any other person, whether or not such damage, loss, injury, or death results from the negligence of the Landlord, its agents, servants, or employees, or others for whom the Landlord is, in law, responsible;

(ii) any injury or damages of any nature whatsoever to persons or property caused by explosion, fire, theft, or breakage, by the failure of or defect in sprinkler, drainage, or plumbing systems, by failure for any cause to supply adequate drainage, by the interruption of any public utility or service, by steam, gas, water, rain, snow, or other substances leaking, issuing, or flowing into any part of the Premises, or by natural occurrence, acts of the public enemy, riot, strike, insurrection, war, court order, requisition, or order of government body or authority;

(iii) any damage or inconvenience that may arise from repair, maintenance, or alteration of any part of the Centre, or anything done or omitted to be done by any tenant, occupant, or person in the Centre, or by an occupant of adjacent property, or by the public, or by construction of any private, public, or quasi-public work;

(iv) the occurrence of any of the perils covered by, or that would be covered by, the insurance policies that the Tenant is obliged to obtain and maintain in force under the terms of this Lease;

(v) any act or omission (including theft, malfeasance, or negligence) on the part of any agent, contractor, or person from time to time employed by the Landlord to perform any services including, without limitation, janitorial or security services, in or about the Premises or the Centre;

(vi) any loss or damage, however caused, to money, securities, negotiable instruments, papers, or other valuables of or held by the Tenant or any employee, licensee, invitee, guest, agent, or customer of the Tenant or by any other person upon the Premises; or

(vii) theft or vandalism,

whether caused by the act, omission, or negligence of the Landlord or of any other person for whom the Landlord is in law responsible or otherwise.

(c) Landlord Entering Premises

Neither the Landlord nor its agents, servants, employees, or contractors will be liable for any damage suffered to the Premises or the contents thereof by reason of the Landlord, its agents, employees, or contractors entering upon the Premises to undertake any examination thereof or any work therein or in the case of any emergency, and the Landlord will not be in breach of its covenant for quiet enjoyment or liable for any loss, costs or damages, whether direct or indirect, incurred by the Tenant due to any of the foregoing.

**10.2 Indemnity**

The Tenant hereby covenants to save harmless and indemnify the Landlord from and against all liability, expenses, costs (including legal fees on a full indemnity basis), damages, losses, claims, actions, causes of action, and fines incurred or suffered by the Landlord:

(a) by reason of any breach, violation, non-observance, or non-performance by the Tenant, its servants, agents, or others for whom the Tenant is, in law, responsible of any covenant, agreement, provision, or condition of this Lease to be performed or observed by the Tenant including, without limitation, the Rules and Regulations *[in Schedule G]*; or

(b) by reason of any damage to or loss of any property, or injury, illness or death to any person (including, without limitation, the Tenant):

(i) occurring in, on or about the Premises, or any part thereof, arising at any time from any cause whatsoever other than solely by reason of the gross negligence or wilful misconduct of the Landlord, its employees, or agents; and

(ii) occurring in, on, or about any part of the Centre other than the Premises, when such damage, loss, injury, illness, or death is caused in whole or in part by the negligence or wilful misconduct of the Tenant, its agents, servants, employees, invitees, or licensees (including, without limitation, when such damage, injury, illness, or death has been caused in part by the Landlord, its employees, or agents).

**10.3 Survival of Covenants and Released Persons**

The provisions of this Article 10 will survive the termination of this Lease with respect to any damage, injury, illness, or death or other event occurring prior to such termination.

For purposes of this Article 10, “Landlord” will mean “Released Persons” with all grammatical changes as may be required.

**11. TENANT ALTERATIONS**

**11.1 Tenant Improvements**

The Tenant may, with the prior written consent of the Landlord, such consent not to be unreasonably withheld, at any time and from time to time at the Tenant’s expense make such changes, alterations, additions, and improvements in and to the Premises (collectively “improvements”) provided such improvements will better adapt the Premises for the purpose of the Tenant’s business and will equal or exceed the then-standard of the Centre; and provided further that no changes, alterations, additions, or improvements to the structure, any perimeter wall, the storefront, the sprinkler system, the HVAC System, plumbing, electrical or mechanical equipment, the concrete floor, columns, or the roof are made without submission of architectural or engineering plans or specifications to the Landlord and the prior written consent of the Landlord and without the use of contractors or other qualified workers designated or approved by the Landlord in writing. The Tenant will pay all the Landlord’s reasonable costs with respect to such improvements. All such improvements, whether structural or otherwise, will comply with Applicable Laws.

**11.2 Labour Relations**

If, in the opinion of the Landlord, the making of any alteration interferes with or adversely affects labour relations in or affecting the Centre or the Landlord or any occupant of the Centre, all such work will be halted immediately by the Tenant until such time as alterations can proceed without any such interference.

**11.3 Accidents, etc.**

The Tenant will immediately notify the Landlord of any accident, defect, deficiency, or dangerous condition in any part of the Premises or Centre that comes to the attention of the Tenant, its employees, or contractors notwithstanding that the Landlord may have no obligation in respect thereof; and the Tenant will immediately remove, make good, or repair such defect, damage, deficiency, or dangerous condition or the cause of any such accident within the Premises or relating to any alteration.

**11.4 General Security Interest**

As a general and continuing security for the due payment of Rent and the performance of the Tenant’s obligations under this Lease and the Indemnifier’s obligations under this Lease and under the agreement entered into pursuant to Section 22.26 hereof, the Tenant and, in consideration of the Landlord leasing the Premises to the Tenant hereby and other good and valuable consideration, the receipt and sufficiency of which the Indemnifier hereby acknowledges, the Indemnifier, mortgage and charge to and in favour of the Landlord and grant to the Landlord a security interest in:

(a) all inventory brought into the Premises before or during the Term by the Tenant or the Indemnifier and all inventory accepted by the Tenant in the Premises by way of returns from customers, unless and until sold at arm’s length for valuable consideration;

(b) all furnishings brought into the Premises by the Tenant or the Indemnifier respectively before or during the Term, unless and until removed and replaced in accordance with the terms of this Lease;

(c) the interest of the Tenant and the Indemnifier respectively, both during and after the Term, in trade fixtures brought upon the Premises before or during the Term in each case, unless and until replaced in accordance with the provisions of this Lease;

(d) the interest of the Tenant and the Indemnifier respectively, both during and after the Term, in other goods that are affixed to the Premises before or during the Term, unless and until removed in accordance with the terms hereof including, without limitation, flooring, ceilings, equipment used for heating, ventilating or air conditioning, doors, screens, curtains and shutters, built-in furnishings, and shelves; and

(e) all other personal property of the Tenant and the Indemnifier respectively from time to time brought upon the Premises;

(collectively the “Collateral”).

The Tenant represents and warrants that the Collateral is and the Tenant will ensure that the Collateral will at all times be free of any charge or trust except the mortgages, charges, and security interests granted hereby or pursuant to this Lease (collectively the “Security Interest”) in favour of the Landlord or any mortgage, charge, or security interest created with the Landlord’s prior written consent which will be given only if the holder of the charge subordinates its charge to the Security Interest. The Tenant will immediately pay and satisfy the amount secured by any other mortgage, charge, or security interest upon the Collateral or any part thereof that is not so approved.

The Tenant will cause any assignee and any new Indemnifier of this Lease to grant a mortgage, charge, and security interest to the Landlord corresponding to the Security Interest by delivery of a written security agreement in form and substance satisfactory to the Landlord, in the case of a new indemnifier, concurrently with the granting of the new indemnity.

The Tenant will cause any sub-tenant to grant to the Landlord a mortgage, charge, and security interest corresponding to the Security Interest by execution and delivery of a security agreement in form and substance approved by the Landlord prior to the commencement of any sublease of the Premises or any part thereof.

The Tenant and the Indemnifier will from time to time immediately upon request by the Landlord take such action (including, without limitation, the signing of further documents) as the Landlord may require in connection with the Collateral or as the Landlord may consider necessary to give effect to the Security Interest.

The Tenant will pay all costs of perfecting the Security Interest and all costs associated with the granting and perfection of security interests pursuant to this Lease.

**11.5 No Charges**

The Tenant will not permit, do, or cause anything to be done to the Premises, during the period of construction and fixturing of the Premises or at any other time, that would allow any lien, certificate of pending litigation, judgment, or certificate of any court, or any mortgage, charge, conditional sale agreement, personal property security, or encumbrance of any nature whatsoever, to be imposed or to remain upon the title to the Property, the Premises, or the Tenant’s fixtures, trade fixtures, personal property, or leasehold improvements therein. In the event of the registration of any lien, charge, conditional sale agreement, personal property security, or other encumbrance against the Property in the appropriate land title office or other government office, the Tenant will, within *[10]* days’ notice thereof, at its own expense immediately cause the same to be discharged whether by payment or giving security or in such other manner as may be permitted by law, and failing which the Landlord may, but will not be required to, make any payments required to procure the discharge of such lien, charge, or encumbrance and the Tenant will forthwith reimburse the Landlord for all expenses (including legal fees on a full indemnity basis) in connection therewith, together with interest thereon at the Prime Rate plus *[5]*% from the date such expenses are incurred until paid.

**12. UTILITIES AND TAXES**

**12.1 Utilities, Business Tax, and Machinery**

The Tenant will pay for its electricity, gas, other fuel, telephone, water, and other similar utilities consumed on the Premises and all business taxes, garbage taxes, licences, rates, and other charges, taxes, licences, or rates levied or assessed on or in respect of or in relation to the Tenant, the business carried on by the Tenant, and the assets of the Tenant within the Premises, or in respect of any fixtures, machinery, equipment, or apparatus installed in the Premises or elsewhere in the Centre by the Tenant, including Taxes that in the Landlord’s opinion are attributable to improvements made by the Tenant whether such taxes, licences, charges, or rates are charged to the Landlord or to the Tenant, and including a *[15]*% administration fee on those charges paid for and administered by the Landlord on behalf of the Tenant. The Tenant will, upon request by the Landlord, deliver to the Landlord notices of assessments of such rates, levies, charges, and taxes and receipts for payment of the same.

**12.2 Payment of Taxes**

Subject to the rights that the Landlord has at law to contest Taxes, the Landlord covenants with the Tenant to pay, out of funds collected from the tenants in the Centre, all Taxes.

**12.3 Allocation of Taxes**

If a separate allocation of Taxes is issued by the relevant Taxing Authority with respect to any components of the Centre, such as a Major Tenant, then such allocation will be used by the Landlord. If no such allocation is issued, then the Landlord may from time to time apply to the Taxing Authority for a determination of a separate allocation to be calculated, which determination will be conclusive for the purposes of this Lease. If the Landlord does not make such application or no such determination can be obtained from the Taxing Authority, the Landlord will determine the portion, if any, of the Taxes attributable to the components of the Centre using either:

(a) the then-current established principles of assessment employed by the Taxing Authority; or

(b) such method of determination as the Landlord, in its sole discretion, will choose, which determination will be conclusive and binding between the Parties.

**12.4 Sales Taxes**

Notwithstanding anything herein contained to the contrary, the Tenant will pay to the Landlord an 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, it being the intention of the Parties that the Landlord will be fully reimbursed by the Tenant with respect to any and all Sales Taxes at the full tax rate applicable from time to time in respect of the Rent or the rental of space. The amount of Sales Taxes so payable by the Tenant will be calculated by the Landlord in accordance with the applicable legislation and will be paid to the Landlord at such time or times as the Landlord from time to time determines. The Landlord will have all of the same remedies for recovery of Sales Taxes as it has for recovery of Rent under this Lease.

**13. ASSIGNMENT AND SUBLETTING**

**13.1 Not to Assign**

The Tenant covenants with the Landlord that it will not enter into a Transfer of this Lease in whole or in part, nor part with possession of all or any part of the Premises, without the prior written consent of the Landlord, which consent will not be unreasonably withheld. The Landlord and the Tenant agree that, notwithstanding any statutory provisions to the contrary, the Landlord will be entitled to withhold its consent to a Transfer (and the Tenant acknowledges that in so doing, the Landlord will not be acting unreasonably) if:

(a) the Tenant is or has been in default or breach of its covenants or obligations in this Lease; or

(b) at least 30 days prior to the proposed effective date of the Transfer, the Tenant has not delivered to the Landlord:

(i) a copy of the proposed Transfer (including the identity of the Transferee);

(ii) reasonably detailed information about the character, reputation, and business experience of the Transferee;

(iii) financial information and bank references of the Transferee (including the most recent financial statements of the Transferee) certified by the chief financial officer of the Transferee (if the Transferee is a corporation);

(iv) the names and addresses of the beneficial owners of the shares of any proposed corporate Transferee; or

(c) the Transfer is not to be upon and subject to all the terms and conditions of this Lease; or

(d) any Transfer does not specifically state that the Transferee assumes and agrees to be bound by all the terms and conditions of this Lease; or

(e) the use of the Premises as permitted by this Lease is to be changed; or

(f) any sublease does not have:

(i) a provision allowing the Landlord to require the subtenant to re-direct its Rent directly to the Landlord without consent of the Tenant;

(ii) a provision requiring the subtenant to enter into a lease directly with the Landlord if this Lease is terminated early; and

(iii) a grant of all of the space, or if a sublease of only part of the space, such space is unsuitable for use by more than one occupant; or

(g) the Tenant and the Transferee have not agreed to pay to the Landlord a processing fee of *[amount]* in the aggregate, or such greater amount as may be reasonably required by the Landlord under the circumstances, for document review and for preparation in connection with the proposed Transfer plus all legal fees and disbursements (on a full indemnity basis) incurred by the Landlord with respect to the Transfer; or

(h) the Transfer is to a then-existing tenant or occupant of the Centre; or

(i) the Transfer is for a lesser Basic Rent rate than is then being charged by the Landlord for comparable space in the Centre; or

(j) the likely effect of the Transfer on the merchandise or service mix of the Centre may be adverse; or

(k) covenants, restrictions, or commitments given by the Landlord to other tenants in the Centre or to Mortgagees or other parties regardless of when given, prevent or inhibit the Landlord from giving its consent to the Transfer; or

(l) the Transferee:

(i) does not have a history of successful business operation in the business to be conducted in the Premises; or

(ii) does not have a good credit rating and a substantial net worth; or

(iii) is not able to finance the Transferee’s acquisition of its interest in the Premises and its operations in the Premises without a material risk of defaulting under this Lease and in a manner that will enable the Transferee to carry on business successfully in the Premises throughout the Term; or

(m) there is a history of defaults under commercial leases by the Transferee, or by companies or partnerships in which the Transferee (or its principals) was a principal shareholder or partner at the time of the defaults; or

(n) the length of time since the previous Transfer respecting the Premises is less than 24 months; or

(o) the length of time remaining in the Term is less than 18 complete calendar months; or

(p) the Transferee pays or gives to the Tenant money or other value that is reasonably attributable to the desirability of the location of the Premises or to leasehold improvements that are owned by the Landlord or that the Landlord has paid for in whole or in part; or

(q) the Tenant’s mortgagee is required under any permitted mortgage of this Lease to consent, and such consent is withheld by such mortgagee.

**13.2 Landlord’s Rights of Cancellation**

Within *[15]* days of the receipt by the Landlord of a request by the Tenant for a Transfer and all such information as requested by the Landlord hereunder, the Landlord will have the right upon notice to the Tenant, if the proposed Transfer affects the whole of the Premises, to terminate this Lease or, if the proposed Transfer affects a part of the Premises only, to delete from the Lease such part of the Premises as is affected by the proposed Transfer, in each case as of the date of the proposed Transfer. In such event, the Tenant will surrender the whole or part, as the case may be, of the Premises in accordance with such notice and Rent will be apportioned and paid to the date of surrender and, if only a part of the Premises is surrendered, Rent will thereafter abate proportionately.

If the Landlord elects to terminate or delete, as the case may be, the Tenant may withdraw its request for consent by notice to the Landlord within *[five]* days after the Landlord’s notice of election, in which event the Landlord’s notice of election will be null and void and the Tenant will not proceed with the Transfer for which such consent was requested.

**13.3 Change of Control of Tenant**

If the Tenant is a private corporation, any transfer, creation, issuance, sale, assignment, bequest, inheritance, trust or other disposition or dealing with the shares or voting rights or amalgamation or other reorganization that results in a change in the control of the corporation by reason of ownership of greater than 50% of the voting shares of the corporation being held by a person or group of persons will be deemed for the purposes hereof to be a Transfer. This Section 13.3 will not apply with respect to the change of control of a corporation whose shares are listed on a recognized security exchange.

**13.4 Corporate Records**

The Tenant will, upon request of the Landlord, make available to the Landlord from time to time for inspection or copying or both, all books and records of the Tenant that, alone or with other data, show the applicability or inapplicability of Section 13.3 hereof. If any shareholder of the Tenant will, upon request of the Landlord, fail or refuse to furnish to the Landlord any data verified by the affidavit of such shareholder or other credible person, which data, alone or with other data show the applicability or inapplicability of Section 13.3 hereof then the Landlord may terminate this Lease on 30 days’ notice.

**13.5 Landlord’s Costs**

In the event of a Transfer under this Article 13, the Tenant will forthwith pay to the Landlord, as Additional Rent, the Landlord’s administrative fee and all of its legal fees, disbursements, and expenses (on a full indemnity basis) in connection therewith.

**13.6 No Release**

Notwithstanding any Transfer, the Tenant will remain fully liable under this Lease and will not be released from performing any of the terms, covenants, and conditions of this Lease.

**13.7 Excess Rent**

No Transfer will be made or proposed if the Rent or other consideration to be received by the Tenant from the Transferee exceeds the greater of that stipulated in this Lease as being payable by the Tenant to the Landlord hereunder, save in the event that the Tenant undertakes to pay such excess to the Landlord.

**13.8 Operation of Law**

The prohibition against a Transfer, without the consent required by this Article 13, will be construed to include a prohibition against:

(a) any amalgamation, corporate merger, or Transfer by operation of law; and

(b) a mortgage of this Lease by the Tenant either by way of assignment or sublease and in such event, the provisions of this Article 13 will, *mutatis mutandis*, apply to such mortgage.

**13.9 No Waiver**

The consent by the Landlord to any Transfer will not constitute a waiver of the necessity for such consent to any subsequent Transfer.

**13.10 Consent Extinguished**

The right to enter into a Transfer by the Tenant will be extinguished upon the first consent by the Landlord. The Transferee or occupant will have no further right to assign the Lease or sublet the whole or any part of the subletted premises.

**14. LANDLORD’S RIGHTS AND REMEDIES**

**14.1 Default**

If and whenever the Rent hereby reserved, or any part thereof, will not be paid on the day appointed for payment thereof, whether demanded or not, or in the case of breach or non-observance or non-performance of any of the covenants, agreements, provisos, conditions, or rules and regulations on the part of the Tenant to be kept, observed, or performed, or in case the Premises will be vacated or remain unoccupied for *[five]* days, or if, without the written consent of the Landlord, the Premises will be used by any person other than the Tenant, or for any purpose other than that for which the same was let, or in case the Term will be taken in execution or attachment for any cause whatever, then and in every such case it will be lawful for the Landlord at any time thereafter to enter into and upon the Premises or any part thereof in the name of the whole and the same to have again, repossess, and enjoy as of its former estate, anything in this Lease contained to the contrary notwithstanding. Whenever the Landlord is entitled to re-enter the Premises it may, at its option and without limiting its other remedies, terminate the Lease. If this Lease is so terminated, the Landlord, to the extent permitted by law, may immediately repossess the Premises, sell or dispose of such Tenant’s fixtures, trade fixtures, personal property, or leasehold improvements therein as the Landlord considers appropriate, or store any of the Tenant’s fixtures, trade fixtures, personal property, or leasehold improvements therein in a public warehouse or elsewhere at the cost of the Tenant, all without service of notice, without legal proceedings, and without liability for loss or damage and wholly without prejudice to the rights of the Landlord to recover arrears of Rent or damages for any default by the Tenant of its obligations or agreements under this Lease or of any term or condition of this Lease, and wholly without prejudice to the rights of the Landlord to recover from the Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely terminated, including prospective damages, and the Landlord reserves a right to claim all costs (including legal fees on a full indemnity basis), losses, damages, and expenses arising from the Tenant’s breach.

**14.2 Right of Landlord to Relet**

If and when the Landlord is entitled to re-enter the Premises, the Landlord will have the right, if it thinks fit, to enter the same as the agent of the Tenant either by force or otherwise, without being liable to any prosecution therefor and without terminating this Lease, to make such alterations and repairs as in the Landlord’s opinion are necessary to facilitate a reletting of the Premises, and to relet the Premises as the agent of and at the risk of the Tenant and to receive the Rent therefor. Upon each such reletting, all Rent received by the Landlord from such reletting will be applied: first, to the payment of any indebtedness other than Rent due hereunder from the Tenant to the Landlord; second, to the payment of any costs and expenses of such reletting, including brokerage and solicitor’s fees, and of costs of any alterations and repairs; and third, to the payment of Rent due and unpaid hereunder. The residue, if any, will be held by the Landlord and applied in payment of future Rent as the same becomes due and payable hereunder. If such Rent received from such reletting during any month is less than that to be paid during that month by the Tenant hereunder, the Tenant will pay any such deficiency, which will be calculated and paid monthly in advance on or before the first day of each and every month. No such re-entry or taking possession of the Premises by the Landlord pursuant to this Section 14.2 will be construed as an election on its part to terminate this Lease, unless a written notice of such intention is given to the Tenant.

**14.3 Bankruptcy, Reorganization of Debts, and Winding Up**

If, during the Term:

(a) any of the goods or chattels of the Tenant are at any time seized in execution or attachment by any creditor of the Tenant, or if a receiver or receiver-manager is appointed in respect of any property of the Tenant or the Tenant will make any assignment for the benefit of creditors or will make any bulk sale or become bankrupt or insolvent or take the benefit of any Applicable Law now or hereafter in force for bankrupt or insolvent debtors, or if the Tenant receives from any of its secured creditors a notice under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as modified, amended, or replaced from time to time, advising the Tenant that the secured creditor intends to realize upon security located at the Premises;

(b) the Tenant takes any action or commences any proceeding, or any action or proceeding is being taken or commenced by another person or persons against the Tenant relating to the reorganization, readjustments, compromise, or settlement of the debts owed by the Tenant to its creditors, including, without limitation, the filing of a notice of intention to make a proposal or the filing of a proposal pursuant to the provisions of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended or replaced from time to time, the making of an order under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended or replaced from time to time, or the commencement of any similar action or proceeding by the Tenant or such person or persons;

(c) the Tenant takes any action or commences any proceeding, or any action or proceeding is being taken or commenced by another person or persons against the Tenant in respect of the liquidation, dissolution, or winding up of the Tenant or other termination of the corporate existence of the Tenant, including without limitation, any action or proceeding under the *Winding-up and Restructuring Act*, R.S.C. 1985, c. W-11, the *Business Corporations Act*, S.B.C. 2002, c. 57, the *Canada* *Business Corporations Act*, R.S.C. 1985, c. C-44, all as amended or replaced from time to time, or other similar legislation,

then, in any such case, at the option of the Landlord, this Lease will cease and determine and the Term will immediately become forfeited and void and the then-current month’s Rent and the next ensuing three months’ Rent will immediately become due and be paid and the Landlord may immediately claim the same, together with any arrears then unpaid and any other amounts owing to the Landlord by the Tenant, and the Landlord may without notice or any form of legal process forthwith re-enter upon and take possession of the Premises and become the owner of and remove the Tenant’s effects therefrom, any statute or law to the contrary notwithstanding, the whole without prejudice to and under reserve of all other rights, remedies, and recourses of the Landlord.

**14.4 Bankruptcy and Insolvency Act**

The Tenant acknowledges and agrees that under no circumstances will it file any notice of termination, resiliation, or disclaimer seeking to take advantage of s. 65.2 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended or replaced from time to time, and now waives any and all rights to do so. The Tenant agrees that if, in breach of this Section, it files such a notice, the Landlord may, in addition to all of its other remedies, produce and rely on this Section in challenging the validity of the notice in the court proceedings contemplated by s. 65.2(2) of the *Bankruptcy and Insolvency Act*, and the Landlord may, in those or any other proceedings, apply for injunctive or other relief against the Tenant filing the notice.

**14.5 Right of Landlord to Seize**

The Tenant waives and renounces the benefit of any present or future law taking away or limiting the Landlord’s rights against the property of the Tenant and, notwithstanding any such law, the Landlord may seize and sell (either by public or private sale) all of the Tenant’s goods and property that at any time have been located within the Premises, and apply the proceeds of such sale upon Rent outstanding and upon the costs of the seizure and sale, in the same manner as might have been done if such law had not been passed. The Tenant further agrees that if it leaves the Premises, leaving any Rent unpaid, the Landlord, in addition to any remedy otherwise provided by law, may follow, seize, and sell such goods and property of the Tenant at any place to which the Tenant or any other person may have removed them, in the same manner as if such goods and property had remained upon the Premises.

**14.6 Fraudulent or Clandestine Removal of Goods**

Removal by the Tenant of its goods outside the ordinary course of its business either during or after Centre hours will be deemed to be a fraudulent or clandestine act, thereby enabling the Landlord to avail itself of all remedies at law including, but not limited to, the Landlord’s rights to follow the Tenant’s goods and to recover more than the value of the goods so removed.

**14.7 Right of Landlord to Perform Tenant’s Covenants**

If at any time the Tenant defaults in the observance or performance of any obligation herein contained on its part to be observed or performed and so often as the default happens, then the Landlord may, but will not be obligated so to do, without waiving or releasing the Tenant from its obligations under this Lease, itself observe and perform the covenant or covenants in respect of which the Tenant has made default or make payment of the amounts the Tenant has failed to pay, and all costs and expenses incurred by the Landlord in the observance or performance of such covenant or covenants, including, without limitation, legal fees on a full indemnity basis, and any amounts so paid by the Landlord will bear interest at the Prime Rate plus *[percentage]* from the date such amounts are paid until repaid by the Tenant to the Landlord, and will be a charge on the Premises in favour of the Landlord in priority to the interest of the Tenant hereunder and of any person claiming through or under the Tenant, and all such costs, expenses, and amounts and interest thereon will be payable forthwith by the Tenant to the Landlord, and the Tenant covenants to pay the same forthwith on demand by the Landlord, and the same will be treated as Additional Rent due and payable to the Landlord hereunder, and the Landlord will have the same rights and remedies and may take the same steps for recovery thereof as for the recovery of Additional Rent in arrears. If the Tenant will in good faith dispute the amount or propriety of any such claim made upon it and if in the Landlord’s opinion forfeiture of or the registration of a lien against the Property will not result from non-payment, then the Landlord will not pay the same until such dispute has been resolved either by agreement of the Tenant or by the decision of a competent authority, and then only in the event that the Tenant has failed for *[10]* days or more to make payment of the same.

**14.8 Payment of Landlord’s Expenses**

If at any time an action is brought or the Landlord is otherwise required to employ the services of a bailiff, an agent, or its solicitors for recovery of possession of the Premises, recovery of Rent or any part thereof, or because of a breach by act or omission of any covenant herein contained on the part of the Tenant, the Tenant will pay to the Landlord all expenses incurred by the Landlord in the enforcement of its rights and remedies hereunder (including the Landlord’s administrative costs in connection therewith and legal fees on a full indemnity basis), together with interest thereon at the Prime Rate plus *[percentage]* from the date such expenses are incurred until paid, whether or not any formal proceedings in or before any court, arbitrator, or other tribunal will have been initiated.

**14.9 Interest**

The Tenant will pay to the Landlord interest at the rate equal to *[percentage]* per annum above the prevailing Prime Rate on all payments of Rent that have become overdue so long as such payments remain unpaid. Notwithstanding anything else in this Lease, such interest will not be considered Rent, but the Landlord will have all the same remedies for and rights of recovery with respect to such amounts as it has for non-payment of Rent under this Lease or at law.

**14.10 Non-waiver**

No condoning, excusing, or overlooking by the Landlord of any default, breach, or non-observance by the Tenant at any time or times in respect of any covenant, proviso, or condition herein contained will operate as a waiver of the Landlord’s rights hereunder in respect of any continuing or subsequent default, breach, or non-observance, or so as to defeat or affect in any way the rights of the Landlord herein in respect of any such continuing or subsequent default or breach, and no waiver will be inferred from or implied by anything done or omitted by the Landlord save only express waiver in writing.

**14.11 Non-acceptance of Surrender**

No acceptance of keys for the Premises by the Landlord and no other act of the Landlord will be considered as an acceptance by the Landlord (implied or otherwise) of a surrender of this Lease by the Tenant. Only a written acknowledgment of a surrender agreement executed by the authorized representative(s) of the Landlord will be effective as an acceptance by the Landlord of a surrender of this Lease.

**14.12 Remedies Cumulative**

All rights and remedies of the Landlord in this Lease will be cumulative and not alternative. No remedy is exclusive or dependent upon any other remedy. Any one or more remedies may be exercised generally or in combination. The specifying or use of a remedy under this Lease does not limit the right to use other remedies available at law generally.

**14.13 Remedies for Breach by Landlord**

Except as otherwise expressly contained herein, any breach by the Landlord under this Lease can be adequately compensated in damages, and the Tenant agrees that its only remedy to enforce its rights under this Lease is an action for damages.

**15. MORTGAGES AND ASSIGNMENTS BY LANDLORD**

**15.1 Sale or Financing of Centre**

The rights of the Landlord under this Lease may be mortgaged, charged, transferred, or assigned at any time and from time to time to a purchaser or to a Mortgagee or trustee for bond holders, and in the event of a sale or default by the Landlord under any mortgage, trust deed, or trust indenture and the purchaser, Mortgagee, or trustee, as the case may be, duly entering into possession of the Centre or the Premises, the Tenant agrees to attorn to and become the tenant of such purchaser, Mortgagee, or trustee, under the terms of this Lease.

**15.2 Subordination**

This Lease is subject and subordinate to all mortgages, trust deeds, or trust indentures that may now or at any time hereafter affect in whole or in part the Premises or the Centre and whether or not any such mortgage, trust deed, or trust indenture will affect only the Premises or the Centre or will be a blanket mortgage, trust deed, or trust indenture affecting other lands and premises as well. This Lease will also be subject and subordinate to all renewals, modifications, consolidations, replacements, and extensions of any such mortgage, trust deed, or trust indenture. In confirmation of such subordination and agreement to attorn, the Tenant will execute promptly upon request by the Landlord any certificate, instruments of postponement or attornment, or other instruments that may from time to time be requested to give effect hereto. The Tenant hereby irrevocably appoints the Landlord as the attorney for the Tenant with full power and authority to execute and deliver such instruments for and in the name of the Tenant.

**15.3 Estoppel Certificate**

Within *[10]* days after written request therefor by the Landlord, or if upon any sale, assignment, lease, or mortgage of the Premises or the Centre by the Landlord an estoppel certificate is required from the Tenant, the Tenant will deliver, in a form supplied by the Landlord, an estoppel certificate to any proposed Mortgagee, assignee, lessee, or purchaser, or to the Landlord, stating, if such is the case:

(a) that this Lease is unmodified and in full force and effect, or if there have been modifications, that this Lease is in full force and effect as modified and identifying the modification agreements, or if this Lease is not in full force and effect, the certificate will so state;

(b) the Term Commencement Date;

(c) the Rent Commencement Date and the date to which Rent has been paid under this Lease;

(d) whether or not there is any existing default by the Tenant in the payment of any Rent and whether or not there is any other existing or alleged default by either Party under this Lease, and if there is any such default, specifying the nature and extent thereof;

(e) whether there are any set-offs, defences, or counter-claims against enforcement of the obligations to be performed by the Tenant under this Lease;

(f) with reasonable particularity, details respecting the Tenant’s and any indemnifier’s financial standing and corporate organization; and

(g) such other information as reasonably required by the Landlord.

**15.4 Assignment by Landlord**

Nothing in this Lease will restrict the Landlord’s right to sell, convey, assign, or otherwise deal with all or any part of the Centre, subject to the rights of the Tenant under this Lease. In the event of the sale or lease by the Landlord of the Centre or a portion thereof containing the Premises, or the assignment by the Landlord of this Lease or any interest of the Landlord hereunder, and to the extent that such purchaser, lessee under such lease, or assignee has assumed the covenants and obligations of the Landlord hereunder, the Landlord will, without further written agreement, be freed and relieved of liability upon such covenants and obligations.

**16. OVERHOLDING TENANT**

If the Tenant remains in possession of the Premises after the end of the Term and without the execution and delivery of a new lease, there will be no tacit renewal or extension of this Lease or the Term hereby granted, despite any statutory provision or legal presumption to the contrary, and the Tenant will be deemed to be occupying the Premises as a tenant from month to month, at a monthly rent payable in advance on the first day of each month equal to the sum of:

(a) one-sixth the Basic Rent payable during the last 12 months of the Term; and

(b) one-sixth of the Additional Rent, payable hereunder during the last 12 months of the Term,

and otherwise upon the same terms, conditions, and provisos as are set forth in this Lease insofar as the same are applicable to a monthly tenancy.

**17. ENVIRONMENT**

**17.1 Compliance with Environmental Laws**

The Tenant will, at the Tenant’s expense, comply and cause any other person acting under its authority or control to comply with all Applicable Laws (including, but not limited to, obtaining any required permits or similar authorizations) pertaining to protection, conservation, utilization, impairment, or degradation of the environment (which includes air, land, ground water, surface water, oceans, lakes, rivers, and streams) relating to the Premises or the use of the Premises by the Tenant or those acting under its authority or control. The Tenant will not use or permit to be used the Premises for the sale, storage, manufacture, disposal, handling, treatment, generation, use, transport, remediation, or any other dealing with any Hazardous Substances without the prior written consent of the Landlord, which may be unreasonably withheld. Without limiting the generality of the foregoing, the Tenant will, at the Tenant’s expense, comply with all Applicable Laws regulating the manufacture, use, storage, transportation, sale, handling, remediation, release, and disposal of Hazardous Substances and will make, obtain, and deliver all reports and studies required by government or regulatory authorities having jurisdiction.

**17.2 Use of Hazardous Substances**

The Tenant will not authorize, cause, or permit any Hazardous Substances to be brought upon, kept, or used in or about the Premises or the Centre nor use the Premises or permit them to be used to generate, manufacture, store, dispose, handle, treat, use, transport, remediate, or produce Hazardous Substances without the prior written consent of the Landlord, which may be unreasonably withheld. The Tenant will take all proactive and preventative steps that may be imposed or recommended under any of the Applicable Laws or that a prudent tenant would take in order to minimize risk pertaining to Hazardous Substances.

**17.3 Inspection**

Without relieving the Tenant of any of its obligations under this Lease, the Tenant will permit the Landlord, its officers, employees, consultants, authorized representatives, and agents, at all such reasonable times and intervals as the Landlord may desire, to:

(a) visit and inspect the Premises and the Tenant’s operations;

(b) conduct tests and environmental assessment or appraisals;

(c) remove samples from the Premises;

(d) examine and make abstracts from and copies of any documents or records relating to the Premises;

(e) interview the Tenant’s employees; and

(f) make reasonable inquiries from time to time of any government or government agency in order to determine the Tenant’s compliance with Applicable Laws pertaining to Hazardous Substances and the Tenant agrees that it will provide to the Landlord such written authorization as the Landlord may reasonably require in order to facilitate the obtaining of such information.

If, pursuant to any of the above actions, the Landlord determines that the Tenant is in contravention of Section 17.1 or 17.2, the Tenant will, immediately after being notified by the Landlord of such contravention, comply with all Applicable Laws regulating any such Hazardous Substances and reimburse the Landlord for all costs (including legal fees on a full indemnity basis) incurred pursuant to this Section.

**17.4 Removal of Hazardous Substances**

(a) If:

(i) any government authority having jurisdiction will require the clean-up of any Hazardous Substances held, released, spilled, abandoned, or placed upon the Premises or the Centre or released into the environment in the course of business being carried on from the Premises by or on behalf of the Tenant or as a result of the use or occupancy of the Premises by or on behalf of the Tenant and the land thereunder; or

(ii) any harmful moulds or other harmful airborne substances are generated within the Premises as a result of the use or occupancy of the Premises by the Tenant and the Landlord requires the removal of such harmful moulds or other harmful airborne substances,

then the Tenant will, at its own expense, prepare all necessary studies, plans, and proposals and submit the same for approval, will provide all bonds and other security required by government authorities having jurisdiction, and will carry out the work required and keep the Landlord fully informed, and will provide to the Landlord full information with respect to proposed plans and comply with the Landlord’s reasonable requirements with respect to such plans. The Tenant further agrees that if the Centre or the Landlord is placed in any material jeopardy by the requirement for any such work, or if the Tenant fails to promptly carry out the work required, or if, in the Landlord’s reasonable opinion, the Tenant is not competent to do so, the Landlord may itself undertake such work or any part thereof on not less than one day’s prior written notice to the Tenant and the Tenant will pay to the Landlord all costs (including legal fees on a full indemnity basis) incurred by the Landlord and in so doing, together with an administration fee of *[15]*% of such costs.

(b) In the event of any release or spill of any Hazardous Substances at or from the Premises, whether under the circumstances referred to in Section 17.4(a) above or otherwise, the Tenant will, upon becoming aware of such release or spill, immediately notify the Landlord, such notice to include all information known to the Tenant regarding such release or spill. In addition, where the Tenant, from monitoring of its inventories, has reason to suspect a potential release or spill, the Tenant will authorize the Landlord to conduct an inspection of the land at the Tenant’s expense. Where a written report is obtained relative to such inspections, the Tenant agrees to provide a copy of same to the Landlord within *[seven]* days after receipt. The Tenant will, upon becoming aware of the existence of any harmful moulds or harmful airborne substances within the Premises or that are or have been generated as a result of the use or occupancy of the Premises by the Tenant, immediately notify the Landlord, such notice to include all information known to the Tenant regarding such harmful mould or harmful airborne substance.

(c) The Tenant will, prior to the expiry or termination of this Lease or any renewal or extension thereof, or upon the Tenant vacating a portion of the Premises, at the Tenant’s sole expense and in accordance with Applicable Laws, promptly remove or remediate, at the Landlord’s option, all Hazardous Substances and any harmful moulds or harmful airborne substances generated by the Tenant or by the Tenant’s use or occupancy of the Premises or brought onto the Premises or part thereof vacated by the Tenant or those acting under its authority or control. For greater certainty, the foregoing obligation of the Tenant will include, without limitation, the responsibility to, at the Landlord’s option, remove or remediate any Hazardous Substances, harmful moulds, or other harmful airborne substances that have as a result of the operations of the Tenant or the occupancy of the Premises by the Tenant, or any other person acting under its authority or control, become affixed to, permeated within, or accumulated on or within the Centre. The Tenant will obtain and provide to the Landlord a copy of the Tenant’s environmental consultant’s report or reports with respect to such removal of Hazardous Substances and harmful moulds and other harmful airborne substances.

**17.5 Ownership of Hazardous Substances**

If the Tenant creates or brings to the Centre or the Premises any Hazardous Substance or if the Tenant will cause there to be any Hazardous Substance at the Centre or the Premises then, notwithstanding any rule of law to the contrary or anything to the contrary contained in this Lease, such Hazardous Substance will be and remain the sole and exclusive property of the Tenant and will not become the property of the Landlord, notwithstanding the degree of affixation to the Premises or the Centre of the Hazardous Substance or the goods containing the Hazardous Substance, and notwithstanding the expiry or earlier termination of this Lease.

**17.6 Environmental Indemnification**

The Tenant will indemnify and save harmless the Released Persons and their respective agents, servants, and employees at all times from and against any and all claims, losses, damages, penalties, fines, costs, fees, and expenses (including legal counsel’s and consultant’s fees and expenses on a full indemnity basis) resulting from:

(a) any breach of or non-compliance with the provisions of Sections 17.1 through 17.5 by the Tenant; and

(b) any legal or administrative action commenced by, or claim made or order or environmental notice from, any third party, including, without limitation, any government authority, to or against the Landlord, its agents, servants, and employees and pursuant to or under any Applicable Laws or concerning a release or alleged release of Hazardous Substances at the Premises, and related to or as a result of the operations of the Tenant or those acting under its authority or control at the Premises.

**17.7 Survival**

The obligations of the Tenant under this Article 17 will survive the expiry or earlier termination of this Lease.

**18. RELOCATION**

**18.1 Landlord’s Right to Relocate Tenant**

The Landlord will have the right to require the Tenant to vacate the Premises and to surrender the leasehold interest hereby created so far as it relates to the Premises with effect as at any date during the Term or any renewal or extension thereof on the following terms and conditions:

(a) the Landlord may exercise its right under this Article by giving the Tenant no less than *[60]* days’ written notice (the “Relocation Notice”) of the date (referred to in this Article as the “Effective Date”) on which the Tenant will be required to vacate the Premises, and providing particulars of the other matters required to be dealt with in accordance with the following provisions of this Article;

(b) the Landlord will provide the Tenant with alternate premises in the Centre (which alternate premises are herein called the “New Premises”);

(c) the New Premises will be substantially the same in area and layout (but need not have the same orientation) as the Premises;

(d) the Landlord will reimburse the Tenant for the Tenant’s reasonable, direct, bona fide, and arm’s-length out-of-pocket costs in respect of the construction of the New Premises, including all leasehold improvements (and furnishings and trade fixtures that cannot be moved) to a substantially similar standard and quality to those existing in the Premises at the time of relocation; and the Landlord will reimburse the Tenant for such expenses on completion of the leasehold improvement work and delivery to the Landlord of appropriate invoices substantiating such expenses;

(e) if the New Premises will be smaller than the Premises then the Annual Base Rent hereof will be reduced in proportion to the reduction in the Rentable Area of the New Premises;

(f) Rent will abate from the date the Tenant vacates the Premises to the date that the New Premises are available to the Tenant for possession;

(g) the Tenant will execute an indenture supplemental to this Lease by which:

(i) the Tenant will surrender its leasehold interest in the Premises with effect as at the Effective Date;

(ii) the Landlord will accept that surrender;

(iii) such surrender will be without prejudice to the rights and remedies of the Landlord and the Tenant accruing on or before the Effective Date and without waiver of any default then existing under this Lease or of the rights and remedies of the Landlord with respect to any default existing on the Effective Date; and by which all such rights, remedies, and defaults will continue after the Effective Date as if the New Premises had been the premises demised by this Lease when any default occurred under this Lease and throughout the Term hereby granted; and

(iv) the provisions of this Lease, save as otherwise herein expressly provided, will apply with respect to the New Premises as fully and effectively from and after the Effective Date as if the New Premises had been the premises hereby demised;

(h) the supplemental indenture will be in such form as the Landlord may reasonably require and will be executed by the Tenant and delivered to the Landlord prior to the Effective Date and will thereupon promptly be executed and delivered to the Landlord;

(i) if the Parties agree that any of the particulars provided for in the Relocation Notice will be amended or supplemented in any way during the period between the giving of the Relocation Notice and the Effective Date, the Relocation Notice will remain effective and there will be no change in the Effective Date unless the parties specifically agree in writing to a change in the Effective Date;

(j) the Indemnifier hereby covenants and agrees to and with the Landlord and the Tenant that the Indemnifier will join in the supplemental indenture provided for in this Article 18 for the purpose of confirming that the obligations of the Indemnifier hereunder are not and will not be affected or released by the exercise of the Landlord’s rights under this Article;

(k) the Landlord will pay to the Tenant by way of reimbursement to the Tenant all reasonable, bona fide, and arm’s-length out-of-pocket costs actually incurred by the Tenant as a result of the relocation arising under this Article 18, including, without limitation, costs incurred in changing the Tenant’s stationery and business cards and other like expenses but excluding any lost revenue or other intangible costs;

(l) the moving of the Tenant from the Premises to the New Premises will take place on a weekend, if practicable, and will be accomplished as quickly as is reasonably practicable; and

(m) except for the Landlord’s obligation to pay the Tenant’s direct cost of relocation described in Sections (d) and (k) above, the Tenant agrees that the Landlord will have no liability whatsoever for any other costs, expenses, or damages that the Tenant may suffer or incur in connection with the relocation from the Premises to the New Premises, including without limitation, disruption, loss of business, or loss of profits.

**19. QUIET ENJOYMENT**

The Landlord covenants with the Tenant that if the Tenant duly and punctually pays the Rent hereby reserved, and duly and punctually performs the covenants herein on its part contained, it will, subject to the terms of this Lease, peaceably possess and enjoy the Premises for the Term hereby granted without any interruption or disturbance from the Landlord or any other person or persons lawfully claiming by, from, or under it, except as set out in this Lease.

**20. PROMOTION FUND, MERCHANTS’ ASSOCIATION, AND ADVERTISING**

**20.1 Promotion Fund and Merchants’ Association**

(a) The Tenant will pay to the Landlord, for the creation and maintenance of a fund (the “Promotion Fund”) for the promotion and marketing of the Centre, including without limitation, customer service programs, market and consumer research, and special occasion and seasonal decor, an annual payment for each Lease Year equal to the amount set out in Section (q) of the Summary of Certain Basic Lease Provisions. The Promotion Fund payment will be increased at the start of each Lease Year after the first Lease Year to equal the amount obtained by multiplying the Promotion Fund payment specified above by a fraction that has as its numerator the CPI for the month of May immediately preceding the first month of the current Lease Year, and as its denominator the CPI for the month of May *[year]*. In no event will the Promotion Fund charge for any Lease Year be less than the amount payable by the Tenant in the immediately preceding Lease Year. The Promotion Fund payment will be made in monthly instalments in advance, on the first day of each calendar month.

(b) The Promotion Fund will be used by the Landlord for the purposes set out in Section 20.1(a), but the Landlord may pay all or part of the Promotion Fund to a Merchants’ Association (defined in Section 20.1(c)), and that payment will be a complete discharge of the Landlord’s obligation in respect of the amount paid.

(c) If, in addition to the Promotion Fund described above, an association or a corporation of merchants or tenants of the Centre (a “Merchants’ Association”) has been formed or is formed, the Tenant will: (i) be a member throughout the Term; (ii) abide by those rules, regulations, bylaws, decisions, and directions of the Merchants’ Association that do not conflict with this Lease; and (iii) if the Landlord requires it, join with other tenants in an application for incorporation of a Merchants’ Association. The Tenant will not be required to pay dues or assessments levied by the Merchants’ Association.

**20.2 Advertising**

The Tenant will pay to the Landlord an annual payment (the “Advertising Payment”) for each Lease Year, as a contribution to initiatives to enhance the shopping experience and communicate marketing programs at the Centre and externally, including, without limitation, by way of print or other types of media campaigns and special events designated by the Landlord or the Merchants’ Association for the purpose of promoting the Centre (which initiatives, campaigns, or events may be conducted on a co-operative basis with other shopping centres). The Advertising Payment is the amount set out in Item (q) of the Summary of Certain Basic Lease Provisions. The Advertising Payment will be increased at the start of each Lease Year after the first Lease Year to equal the amount obtained by multiplying the Advertising Payment by a fraction that has as its numerator the CPI for the month of May immediately preceding the first month of the current Lease Year and as its denominator the CPI for the month of May *[year]*. In no event will the Advertising Payment for any Lease Year be less than the amount payable by the Tenant in the immediately preceding Lease Year. The Advertising Payment will be made in monthly instalments in advance, on the first day of each calendar month.

**21. NOTICE**

Any notice, demand, request, consent, or objection required or contemplated to be given or made by any provision of this Lease will be given or made in writing, and either delivered personally or sent by fax or other electronic means or registered mail, postage prepaid, addressed to the Landlord at:

*[Landlord’s address]*

Attention: *[name and title]*

Fax: *[fax number]*

Email: *[email address]*

With a copy to:

*[name and address]*

Attention: *[name and title]*

Fax: *[fax number]*

Email: *[email address]*

or addressed to the Tenant at the address referred to in Item (b) of the Summary of Certain Basic Lease Provisions or to such other address and fax number in Canada of which either Party may from time to time notify the other in writing. The time of giving or making such notice, demand, request, consent, or objection will be, if delivered, emailed, or faxed, when delivered or received, as the case may be, and if mailed, then on the fourth business day after the day of the mailing thereof; provided that, if mailed, should there be between the time of mailing and the actual receipt of the notice a mail strike, slowdown, or other labour dispute that might affect delivery of such notice, then such notice will only be effective if actually delivered. If in this Lease two or more Persons are named as Tenant, such notice, demand, request, consent, or objection is sufficiently given or made if and when the same is given or made to any one of such Persons.

**22. GENERAL CONDITIONS**

**22.1 Compliance with Laws**

At the sole cost and expense of the Tenant, the Tenant will comply with and abide by all Applicable Laws in connection with the Premises, and all equipment, machinery, and other facilities therein, and the Tenant’s use, occupation, condition, maintenance, alterations, and repairs thereof, and the Tenant’s use, storage, disposal, and clean-up of Hazardous Substances, whether or not in force at the date hereof and in accordance with all directions, rules, and regulations of the health officer, fire marshal, building inspector, or other proper officers of the City or other agencies, whether municipal, federal, or provincial, having jurisdiction, or the insurers of the Landlord. In the event that the Tenant fails to comply with the foregoing provisions, the Landlord may comply on behalf of the Tenant and collect the expense for such work from the Tenant in the same manner as arrears of Additional Rent.

**22.2 Changes in Service by Law**

In the event that the Landlord is required to make a change in the service provided by the Landlord to the Tenant in the Centre as a result of the Tenant or the Landlord complying with any statute, regulation, bylaw, or order having lawful jurisdiction, then the cost of complying with such law, bylaw, rules, or order will be shared by the Tenant, and the Tenant will pay the Tenant’s Proportionate Share of the cost of such compliance. Any reduction or delay in the quality of services to be provided by the Landlord to the Tenant under this Lease as a result of complying with any such law, bylaw, rule, or regulation will not be a breach on the part of the Landlord pursuant to this Lease.

**22.3 Rules and Regulations**

The Tenant covenants that it will observe and perform, and will cause its employees, agents, invitees, and others over whom the Tenant can reasonably be expected to exercise control, to observe and perform any and all Rules and Regulations that may from time to time be established by the Landlord for the Centre. The Rules and Regulations set forth in Schedule G will be the Rules and Regulations in force until amended by the Landlord. The Landlord will communicate any amendments or changes in such Rules and Regulations to the Tenant in writing, and after communication such changed or amended Rules and Regulations will be in force until further amendment and notice thereof. The Landlord will not be responsible to the Tenant for the non-observance or violation by any other tenant of any such Rules and Regulations.

The Tenant acknowledges that the Rules and Regulations, as from time to time amended or replaced, are not necessarily of uniform application but may be waived in whole or in part in respect of other tenants without affecting their enforceability with respect to the Tenant and the Premises, and may be waived in whole or in part with respect to the Premises without waiving them as to future application to the Premises, and the imposition of such Rules and Regulations will not create or imply any obligation of the Landlord to enforce them.

**22.4 No Partnership**

It is understood and agreed that nothing contained in this Lease nor any act of the Parties will be deemed to create any relationship between the Parties other than the relationship of landlord and tenant.

**22.5 Several Tenants**

Should the Tenant comprise two or more Persons, each of them will be jointly and severally bound with the other or others for the due performance of the obligations of the Tenant hereunder. If the Tenant is a partnership (the “Tenant Partnership”), each person who is currently a member of the Tenant Partnership, and each person who becomes a member of the Tenant Partnership or any successor Tenant Partnership hereafter will be and will continue to be subject to the terms, covenants, and conditions of this Lease, whether or not such person ceases to be a member of such Tenant Partnership or successor Tenant Partnership. References to any gender of a party or individual will be read with such changes in gender as may be appropriate and, when appropriate, the singular will mean the plural and vice versa.

**22.6 Landlord’s Liability**

Should the Landlord at the time of signing this Lease or at any time thereafter comprise more than one Person, the liability hereunder of each of the Persons comprising the Landlord will, in every case, be several and not either joint or joint and several. In addition, any liability of a Person comprising the Landlord will be limited to its interest in the Property, from time to time.

**22.7 Successors and Assigns**

Subject to the provisions of this Lease respecting assignment, this Lease will enure to the benefit of and be binding upon the Landlord, its successors and assigns, and the heirs, executors, administrators, and other personal legal representatives, successors, and permitted assigns of the Tenant. No rights will enure to the benefit of any assignee of the Tenant unless the assignment of such rights has been first approved by the Landlord.

**22.8 Apportionment of Rent**

If this Lease is terminated prior to the end of the Term, then without prejudice to the other rights of the Landlord contained herein or at law, the Rent will be apportioned and paid in full to the date of such termination, and the Tenant will immediately deliver up vacant possession of the Premises to the Landlord; provided that, and notwithstanding such termination, if at the date of such termination the actual amount of the Rent cannot be exactly ascertained, the Tenant will pay to the Landlord the amount of the Rent as estimated by the Landlord and forthwith upon the exact amount of such sum being ascertained, the Landlord and the Tenant will make any readjustments if required.

**22.9 No Offer**

The Landlord will not be deemed to have made an offer to the Tenant by furnishing to the Tenant a copy of this Lease with particulars inserted. Notwithstanding that Rent may be received by the Landlord, no contractual or other rights will exist or be created between the Landlord and Tenant until all Parties to this Lease have executed and delivered the same.

**22.10 Management of Centre**

The Tenant acknowledges that the Landlord may appoint a Management Company of the Centre and upon notice to the Tenant of any such appointment, such Management Company will be the person at the Centre authorized to deal with the Tenant.

**22.11 Accord and Satisfaction**

Payment by the Tenant or receipt by the Landlord of less than the required monthly payment of Basic Rent is on account of the earliest stipulated Basic Rent. An endorsement or statement on a cheque or letter accompanying a cheque or payment as Rent is not an acknowledgment of full payment or an accord and satisfaction, and the Landlord may accept and cash the cheque or payment without prejudice to its right to recover the balance of the Rent or pursue its other remedies.

**22.12 No Light, Air, or View Easement**

Any diminution or shutting off of light, air, line of transmission, or view by any structure that is now or may hereafter be erected on lands adjacent to the Centre or elsewhere will in no way affect this Lease or impose any liability on the Landlord. Noise, dust, vibration, or other incidents to construction of improvements on lands adjacent to the Centre, whether or not by the Landlord, will in no way affect this Lease or impose any liability on the Landlord.

**22.13 *Force Majeure***

Despite anything contained in this Lease to the contrary, if the Landlord or the Tenant is, in good faith, delayed or prevented from doing anything required by this Lease because of a strike, labour trouble, inability to obtain materials or services, power failure, restrictive government laws, orders, decrees, or regulations, riots, insurrection, sabotage, rebellion, war, act of God, terrorism, epidemics, pandemics, outbreaks of communicable disease, quarantines, Health Emergencies, or other public or national or regional emergencies, or any other similar reason that is not the fault of the Party delayed, the doing of the thing is excused for the period of the delay and the Party delayed will do what was delayed or prevented within the appropriate period after the delay to the extent possible. The preceding sentence does not excuse the Tenant from payment of Rent, or the Landlord from payment of amounts that it is required to pay, in the amounts and at the times specified in this Lease.

**22.14 Time of the Essence**

Time will be of the essence of this Lease.

**22.15 Captions**

The headings or captions appearing in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit, or enlarge the scope or meaning of this Lease or any provision hereof.

**22.16 Other Leases in Centre**

If the Tenant leases any other space in the Centre pursuant to any other lease or leases, the following provisions will apply:

(a) any default under this Lease will constitute a default under each of such other lease or leases and any default under each of such other lease or leases will constitute a default under this Lease enabling the Landlord to exercise any of its remedies hereunder or thereunder; and

(b) any option or right of renewal or extension under more than one lease may only be exercised in conjunction with any similar option or right of renewal or extension, as applicable, in any other lease.

**22.17 Governing Law**

This Lease will be construed and governed by the laws of the province of British Columbia and the laws of Canada as are applicable therein, and the Tenant will attorn to the *[exclusive/non-exclusive]* jurisdiction of the courts of British Columbia.

**22.18 Covenants**

All of the provisions of this Lease will be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate paragraph.

**22.19 Survival of Covenants**

All obligations of the Tenant that by their nature require all or part of their performance or fulfilment after the expiry or termination of this Lease will (whether specifically provided for in this Lease or not) survive the expiry or termination of this Lease.

**22.20 Severability**

Should any provision or provisions of this Lease or its conditions be illegal or not enforceable, it or they will be considered separate and severable from this Lease, and its remaining provisions and conditions will remain in force and be binding upon the Parties as though the said provision or provisions or conditions had never been included.

**22.21 Entire Agreement**

The Tenant acknowledges that there have been no representations made by the Landlord that are not set out in this Lease, that the plans attached as Schedules E and F set forth the general layout of the Centre and the adjoining lands and buildings and will not be deemed to be a representation or agreement of the Landlord that the Centre and the adjoining lands and buildings will be exactly as indicated on such plans, and that nothing contained in this Lease will be construed so as to prevent the Landlord from adding additional lands to the Centre which upon such addition will be included in the definition of “Property”. The Landlord may transfer or dispose of portions of the Property to the owners of abutting property or dedicate or transfer to the City or government authorities lands for road widening and other purposes; and when and so often as the Landlord will dispose, transfer, or dedicate any portion of the Property, then the reference herein to “Property” will mean and refer to the portion of the Property remaining after any such transfer, disposition, or dedication together with any adjacent land that may be acquired by the Landlord on any such transfer, disposition, or dedication. The Tenant further acknowledges that this Lease constitutes the entire agreement between the Landlord and the Tenant and may not be modified except as herein explicitly provided or except by subsequent agreement in writing duly signed by the Landlord and the Tenant.

**22.22 Registration of Tenant under B.C. Legislation**

If at any time during the Term the Tenant is or becomes a corporation that, under the laws of the Province of British Columbia, is required to be registered or extraprovincially registered, as the case may be, under the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended or replaced from time to time, in order to carry on business in the province of British Columbia in the manner contemplated by this Lease, or to hold the leasehold interest hereby granted throughout the Term, the Tenant will obtain such registration as is required and will promptly and at its sole cost and expense take all steps necessary to maintain the same in good standing throughout the Term. The Tenant will from time to time, at the request of the Landlord, provide the Landlord with evidence satisfactory to the Landlord and its solicitors of the status and the particulars of any such registration, or the basis on which the Tenant is not obligated to be registered.

**22.23 Registration of Lease**

If the Landlord requires this Lease to be registered in priority to any mortgage, trust deed, or trust indenture that may now or any time hereafter affect in whole or in part the Premises or the Centre, and whether or not any such mortgage, trust deed, or trust indenture will affect only the Premises or the Centre or will be a blanket mortgage, trust deed, or trust indenture affecting other lands and premises as well, the Tenant will execute promptly upon request by the Landlord any certificate, tripartite agreement, or other instrument that may from time to time be requested, to give effect thereto. The Tenant hereby irrevocably appoints the Landlord as attorney for the Tenant with full power and authority to execute and deliver such instruments for and in the name of the Tenant. Unless required by the Landlord, the Landlord will not be obliged to deliver this Lease in registrable form, despite the *Land Title Act*, R.S.B.C. 1996, c. 250, as amended or replaced from time to time, and the *Property Law Act*, R.S.B.C. 1996, c. 377, as amended or replaced from time to time, and the Tenant will not register or attempt to register this Lease.

**22.24 Expropriation**

The Landlord and Tenant will cooperate in respect of any Public Taking of the Premises or any part thereof so that each of them may receive the maximum award to which respectively they are entitled in law. In this Section, the words “Public Taking” will include expropriation and condemnation and will include a sale by the Landlord to an authority with powers of expropriation, condemnation, or taking in lieu of or under the threat of expropriation, condemnation, or taking.

*[OR*

# *22.24 Expropriation*

*(a)* ***“Expropriation****” means an expropriation by a governmental or municipal authority, or a transfer, conveyance, or dedication in contemplation of a threatened expropriation.*

*(b) In the case of an Expropriation of all or any portion of the Premises, this Lease will terminate as to the part expropriated on the date the expropriating authority takes title or possession, and Rent payable hereunder will abate accordingly.*

*(c) If [50]% or more of the Premises will be expropriated or, in the reasonable opinion of the Landlord, substantial alteration or reconstruction of the Centre is necessary or desirable as a result of an Expropriation, the Landlord may terminate this Lease by giving written notice to the Tenant.*

*(d) In the case of any Expropriation of only part of the Premises, such that in the opinion of the Tenant, acting reasonably, the Tenant is unable to continue its operation in accordance with this Lease, or if [50]% or more of the Premises will be expropriated, the Tenant will be entitled to terminate this Lease by giving written notice to the Landlord.*

*(e) Upon the giving of such written notice of termination in accordance with Section 22.24(c) or Section 22.24(d), this Lease will terminate on the date stated in the notice, provided, however, that no termination pursuant to notice hereunder may occur later than [60] days after the date of such Expropriation.*

*(f) Upon the giving of such written notice of termination in accordance with Section 22.24(c) or Section 22.24(d), the Tenant will surrender to the Landlord the Premises and all interest therein under this Lease, on the effective date of such notice, will be terminated. The Landlord may re-enter and take possession of the Premises and remove the Tenant therefrom, and the Rent will abate on such date in respect of the portion taken. After such termination, and on notice from the Landlord stating the Rent then owing, the Tenant will forthwith pay the Landlord the amount of Rent then owing pursuant to the terms of this Lease.*

*(g) If neither the Landlord nor the Tenant terminates this Lease as provided above, this Lease will remain in full force and effect with respect to the remainder of the Premises. The Rent payable hereunder will be reduced so as to give due allowance for the part of the Premises expropriated.*

*(h) The Landlord and the Tenant will cooperate with each other in all matters, including, without limitation, legal proceedings, so that each may receive the maximum award that it is entitled to at law. Neither Party will compromise the claim of the other Party. Upon any Expropriation, the Landlord will be entitled to receive and retain the entire award or consideration for the affected Premises. Nothing herein will give the Landlord any interest in or preclude the Tenant from seeking and recovering on its own account from the condemning authority any award or compensation attributable to the taking or purchase of the Tenant's property or trade fixtures, or the removal or relocation of its business. If any such award made or compensation paid to either Party specifically includes an award or amount for the other, the Party first receiving the same will promptly account therefore to the other.]*

**22.25 Schedules**

The Parties acknowledge and agree that all Schedules attached and any further Schedule(s) agreed to by the Parties will form part of and be incorporated in this Lease.

**22.26 Indemnity**

If an Indemnifier is a Party to this Lease, then the Indemnifier agrees, in addition to it being bound by the terms and conditions of this Lease, that it will execute and deliver the Indemnity Agreement attached as Schedule I concurrently with the execution and delivery of this Lease.

**22.27 Counterparts and Electronic Delivery**

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 hand-written 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 hand-written signatures.

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

*[name of Landlord]*

Per:

Authorized Signatory

*[name of Tenant]*

Per:

Authorized Signatory

Per:

Authorized Signatory

*[name of Indemnifier]*

Per:

Authorized Signatory

**SCHEDULE A**

**DEFINITIONS**

In this Lease unless there is something in the context inconsistent therewith, the Parties agree that:

(a) **“Additional Rent”** means the monies payable under Sections 4.1(b) and 4.1(c) together with all other sums of money, whether or not designated as Additional Rent, to be paid by the Tenant, whether to the Landlord or otherwise, under this Lease save and except Basic Rent and Additional Rent;

(b) **“Applicable Laws”** means statutes, regulations, orders, rules, notices, policies, guidelines, codes, certificates of authorization, permits, or directives and other requirements of a government or quasi-governmental authority with jurisdiction over any matter;

(c) **“Basic Rent”** means the minimum annual rent reserved hereunder payable by the Tenant as set forth in Item (m) of the Summary of Certain Basic Lease Provisions;

(d) **“Business Day”** means a day that is not a Saturday or Sunday nor defined as a “holiday” under the *Interpretation Act*, R.S.B.C. 1996, c. 238, as amended or replaced from time to time;

(e) **“Centre”** means the Property as shown in Schedule F, together with the buildings, improvements, facilities, air rights, and underground, overhead walkways and easements and appurtenances, from time to time located thereon or therein or contiguous thereto or for the benefit thereof and as they are altered, reduced, or expanded from time to time including, without limitation, the Common Areas and Common Facilities serving them or located on or in them from time to time;

(f) **“City”** means the City of *[name of city, district, or municipality]*;

(g) **“Common Areas”** means those areas of the Centre that, from time to time, are not intended to be leased to the tenants of the Centre or are designated from time to time by the Landlord as common areas (whether located within or near the Centre, provided that if outside the Centre, the same serve or are for the benefit of the Centre), which designation may be changed by the Landlord from time to time, including but not limited to the roof, exterior walls, exterior and interior structural elements and bearing walls, exterior and interior landscaped areas, parking areas (including roof and below-grade parking, if any), roadways, driveways, truck courts, parcel pick-up facilities, common loading areas, sidewalks (moving or otherwise), tunnels, pedestrian bridges, all enclosed or open centres, courts, arcades, fountains, public hallways, service and fire corridors, stairways, escalators, ramps, elevators, public washrooms, administration offices, amenity rooms, meeting rooms, recreational facilities, and any other public facilities if and when provided, and electrical, telephone communications, meter, valve, mechanical, mail and janitor rooms, and storage areas;

(h) **“Common Facilities”** means those facilities designated by the Landlord as common facilities, which designation may be changed by the Landlord from time to time, including but not limited to the electrical, communications, mechanical, heating, ventilating and air-conditioning, plumbing and drainage, lighting, fire prevention, security, music and public address systems, equipment, and installations, and any enclosures constructed therefore, together with all signage including pylon signs, directional signs, sign bands, and all signs identifying the Centre and leasable premises located therein;

(i) **“Corporation Capital Tax”** means any tax that is currently or hereafter imposed from time to time upon and payable by the Landlord (or by any corporation acting on behalf of the Landlord) and that is levied or assessed against the Landlord on account of its ownership of or capital employed in the Centre. Such tax includes, without limitation, the amount of any capital or place of business tax levied by a Taxing Authority against the Landlord with respect to the Centre, or any part thereof, whether known as a capital tax or by any other name;

(j) **“Cost of HVAC”** means the total, without duplication, of the expenses incurred by the Landlord for operating, maintaining, monitoring, insuring, repairing, and replacing the HVAC System, including without limitation the following:

(i) the amount expended by the Landlord for supply and storage of fuel, water, electricity, oil, gas, or other forms of energy and additives for the HVAC System;

(ii) the total annual cost of boiler and pressure vessel insurance coverage paid by the Landlord;

(iii) wages paid to maintenance and operating personnel for operating the HVAC System, including payments for workers’ compensation, employment insurance, vacation pay, Canada Pension Plan, and other fringe benefits, whether statutory or otherwise;

(iv) the cost of uniforms and equipment furnished to such personnel;

(v) the cost of repairs, maintenance, and such replacements to the HVAC System as are properly chargeable to operating expenses as distinguished from capital replacements or improvements, in accordance with generally accepted accounting practice;

(vi) depreciation on the capital cost of the facilities in the HVAC System and any capital replacements thereto, at rates determined by the Landlord, but not to exceed the maximum permitted to the Landlord under the provisions of the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.), as amended from time to time, or any legislation substituted therefor;

(vii) interest calculated at the rate of *[2]*% per annum in excess of the Prime Rate upon the undepreciated or unamortized portion of the capital cost of the facilities in the HVAC System and capital replacements thereto;

(viii) that portion of Tax Costs that the Landlord may elect to reasonably allocate to the HVAC System; and

(ix) an administrative fee equal to *[15]*% of the total of the expenses incurred by the Landlord referred to in this Section;

(k) **“Cost of Insurance”** means the annual cost to the Landlord to take out commercial general liability insurance, all risk insurance, insurance against loss of property or damage to property, insurance against loss of Basic Rent and Additional Rent due from tenants in the Centre in accordance with the provisions of their leases in such amounts as the Landlord from time to time requires, insurance relating to the improvements comprising the Centre against damage from Insurable Hazards, to such limits as the Landlord may from time to time determine but not in excess of the replacement cost of the buildings comprising the Centre, and such other insurance as the Landlord or Mortgagee of the Centre may reasonably require, including an administrative fee equal to *[15]*% of the total costs incurred by the Landlord referred to in this Section and including any deductibles paid thereunder;

(l) **“CPI”** means the Consumer Price Index (All Items), not seasonally adjusted, published by Statistics Canada (or by a successor or other government agency), or if it is changed or is not produced or issued by Statistics Canada (or by a successor or other government agency), then CPI will mean the nearest and most similar replacement index available from a government authority or failing that, a recognized industry association;

(m) **“Fixturing Period”** will have the meaning set forth in Item (l) of the Summary of Certain Basic Lease Provisions, as such period may be extended under the terms of this Lease;

(n) **“Gross Revenue”** means the total of the selling or rental prices of goods sold or leased and services performed in or from the Premises, whether the sales or rentals are made or services performed on the Premises or elsewhere, and includes but is not limited to:

(i) orders taken or received at the Premises, whether the orders are filled from the Premises or elsewhere;

(ii) sales and rentals of goods and services via e-commerce or other online payment method where the sales and rentals are generated via a computer terminal, smart phone or other handheld device located within the Premises or elsewhere in the Centre whether the sale is completed by an employee or by a customer;

(iii) deposits not refunded to purchasers; and

(iv) all other receipts and receivables (including interest, instalment, and finance charges) from business conducted in or from the Premises,

whether the sales, rentals, or other receipts or receivables are made by cheque, cash, credit, charge account, exchange or otherwise and whether the sales or rentals are made by means of mechanical or other vending devices in the Premises. Bank charges or uncollectible credit accounts or charges made by collection agencies will not be deducted and no allowances will be made for bad debts. Each charge, sale, or rental made on instalment or credit will be treated as a sale or rental for the full selling or rental price in the month for which the charge, sale, or rental is made, regardless of the time the Tenant receives payment (whether full or partial).

Gross Revenue does not include, or there will be deducted from Gross Revenue:

(v) sales or rentals of merchandise for which cash has been refunded or credit made to a charge card account, but only to the extent of the refund or credit, and in the case of sales made through catalogues or the Internet, only to the extent that such refund or credit relates to a prior inclusion of the same transaction in Gross Revenue;

(vi) the selling or rental price of merchandise returned by customers for exchange, but the selling or rental price of merchandise delivered to the customer in exchange will be included in Gross Revenue;

(vii) retail tax imposed by federal, provincial, municipal, or any other government authorities directly on sales and rentals and collected from customers at the point of sale or rental by the Tenant acting as agent for the authority, but only if the amount is added separately to the selling or rental price and does not form part of the quoted price for the article or the service and is actually paid by the Tenant to the authority; and

(viii) transfers of merchandise between the Tenant’s stores and merchandise returned to the Tenant’s suppliers, but only if the transfers or returns are for convenience and not for reducing Gross Revenue;

(o) **“Hazardous Substances”** means any substance or material whose discharge, release, use, storage, handling, or disposal is regulated, prohibited, or controlled, either generally or specifically, by any government authority or quasi-governmental authority pursuant to or under any Applicable Laws, including, but not limited to, any contaminant, pollutant, deleterious substance, or material that may impair the environment, petroleum and other hydrocarbons and their derivatives and by-products, dangerous substances or goods, asbestos, PCBs, gaseous, solid and liquid waste, special waste, toxic substance, hazardous or toxic chemicals, hazardous waste, hazardous material, or hazardous substances, either in fact or as defined in or pursuant to any Applicable Laws;

(p) **“Health Emergency”** means a situation in which the Landlord receives a directive, bulletin, notice, or other form of communication from a governmental authority that occupants, tenants, invitees, or contractors working in the Centre are or may be exposed to imminent danger from a disease, virus, or other biological or physical agents that may be detrimental to human health, including, by way of example, Severe Acute Respiratory Syndrome (“SARS”), Avian Flu (H5N1), Swine Flu (H1N1), and Coronavirus (COVID-19);

(q) **“HVAC System”** means the heating, ventilating, and air-conditioning plants and systems necessary to heat, ventilate, and air-condition the Common Areas and the premises within the Centre excepting the Major Tenants and those premises from time to time as having entirely separate plants and systems and includes, without limitation, the chilled and heated water systems, freon systems or air generating facilities and any storage and distribution systems leading therefrom, together with any cooling towers, thermostats, fans, pumps, and all other equipment and facilities connected therewith;

(r) **“Indemnifier”** means a Person, if any, who is a party to this Lease and has executed or agreed to execute the Indemnity Agreement that is attached to this Lease as Schedule I;

(s) **“Insurable Hazards”** means fire and other perils and occurrences for that insurance is available and that in the opinion of the Landlord should be protected against by insurance;

(t) **“Landlord”** means the Party set forth in Item (a) of the Summary of Certain Basic Lease Provisions and any extension thereof and its authorized representatives. In sections that contain a release or other exculpatory provision or an indemnity in favour of the Landlord, “Landlord” includes the directors, officers, employees, and agents of the Landlord;

(u) **“Landlord’s Work”** means the work to be performed by the Landlord at its cost and expense more particularly set forth in Sections *[reference appropriate sections]* of Schedule B;

(v) **“Lease”** means this lease, all Schedules, and the Rules and Regulations made from time to time by the Landlord under the provisions of this Lease;

(w) **“Lease Year”** means a 12-month period commencing with the first day of January in one calendar year and ending on the last day of December of that year, providing that the first Lease Year will commence on the Term Commencement Date and end on the last day of December next following the Term Commencement Date and the last Lease Year will end on the last day of the Term and commence on the first day of January preceding that date. If the Landlord considers it necessary or convenient for the Landlord’s accounting purposes, the Landlord may at any time and from time to time, by written notice to the Tenant, specify an annual date from which each subsequent Lease Year is to commence and, in such event, the then-current Lease Year will terminate on the day preceding the commencement of such new Lease Year and each succeeding Lease Year will terminate on the day preceding such annual date;

(x) **“Major Tenants”** means the tenant or tenants of the Property that the Landlord designates from time to time in its sole discretion as a Major Tenant;

(y) **“Management Company”** means a company or other entity, if any, retained by the Landlord from time to time to operate or manage the Centre. In Sections that contain a release or other exculpatory provision or an indemnity in favour of a Management Company, “Management Company” includes the officers, directors, employees, and agents of the Management Company;

(z) **“Mortgagee”** means a mortgage or hypothecary creditor (including a trustee for bondholders) of the Centre or part of it and a chargee or other secured creditor that holds the Centre or a part of it as security, but a Mortgagee is not a creditor, chargee, or security holder of a tenant of Rentable Premises. In sections that contain a release or other exculpatory provision or an indemnity in favour of the Mortgagee, “Mortgagee” includes the directors, officers, and employees of the Mortgagee, and the Landlord acts as agent for, or as trustee for, the benefit of the Mortgagee so that each such release, indemnity, and/or other exculpatory provision is fully enforceable by the Mortgagee;

(aa) **“Occupancy Costs”** means the total, without duplication, of the costs and expenses incurred by the Landlord for operating, renting, maintaining, insuring, repairing, and replacing the Centre, including, without limitation, the following:

(i) the cost of repairs, maintenance, and such replacements to the Centre as are properly chargeable in accordance with generally accepted accounting practice to operating expenses as distinguished from capital replacements or improvements, but including the cost of capital replacements where the same are required by any municipal, federal, or provincial government or agency;

(ii) the expense for gardening and landscaping, line repainting, garbage removal, sanitary control, snow removal, and cleaning of the Common Areas;

(iii) wages paid for maintenance, security, and operating personnel, including payments for workers’ compensation, employment insurance, vacation pay, Canada Pension Plan, and other fringe benefits whether statutory or otherwise;

(iv) wages and other costs paid to personnel in connection with the administration and management of the Centre (including the on-site manager for the Centre) including payments for workers’ compensation, employment insurance, vacation pay, Canada Pension Plan, and other fringe benefits whether statutory or otherwise;

(v) the cost of uniforms for personnel who are involved in the maintenance, security, and operation of the Centre;

(vi) all costs of supplies and equipment required for the administration and management of the Centre;

(vii) at the Landlord’s election (such election to be evidenced by the method of calculating the Occupancy Costs for each fiscal year of the Landlord) either amortization (whether incurred before or during the Term and whether or not incurred by the party constituting the Landlord at any time or its predecessor in title or interest) or depreciation, at rates determined by the Landlord, but not to exceed the maximum permitted to the Landlord under the provisions of the *Income Tax Act*, R.S.C. 1985, c. 1 (5th Supp.), as amended from time to time, or any legislation substituted therefor, of any repair, replacement, decoration, or improvement of the Centre not expensed within the said Lease Year in which the expenditure was incurred and of the equipment and machinery employed in operating, maintaining, repairing, and replacing the Centre;

(viii) interest calculated at the rate of *[percentage]* per annum in excess of the Prime Rate upon the undepreciated or unamortized portion of any repair, replacement, decoration, or improvement of the Centre not expensed within the said Lease Year in which the expenditure was incurred and the cost and expense of the equipment and machinery employed in operating, maintaining, repairing, and replacing the Centre;

(ix) cost of exterior window draperies and coverings, carpeting, flooring, and wallcoverings in the Common Areas, and other furnishings in the Common Areas, that, as a result of normal use, require periodic replacement. The full costs of such replacement will be included in the year they are incurred if less than *[percentage]* of such draperies, window coverings, carpeting, flooring, or furnishings are replaced in that year, and if *[percentage]* or more of such draperies, window coverings, carpeting, flooring, or furnishings are replaced in any year, whether before or during the Term, then there will be included the cost thereof amortized over the useful life of such improvements (as determined by the Landlord) plus interest on the unamortized balance at the Prime Rate or such higher rate as may have been paid by the Landlord from time to time on borrowed funds; plus accounting costs required for the administration and management of the Centre;

(x) sales and excise taxes, value added taxes, and goods and services or harmonized sales taxes, net of any tax refunds, on goods and services provided by the Landlord to manage, operate, repair, replace, or maintain the Centre;

(xi) the cost of electrical power and other utilities furnished to the Centre;

(xii) the costs of preparing a pandemic risk assessment and/or Health Emergency plan in addition to the actual cost of dealing with a Health Emergency;

(xiii) Cost of Insurance;

(xiv) Cost of HVAC;

(xv) an administrative fee equal to *[15]*% of the total of the Operating Costs listed in subsections (aa)(i) to (xiv);

Occupancy Costs will not include the cost of servicing the Landlord’s debt relating to the Centre and the cost of maintaining the structural integrity of the Centre (except as provided in subsection (aa)(i));

From the total of the costs referred to in subsections (aa)(i) to (xv) (inclusive) there is deducted:

(xvi) contributions, if any, to the total cost of maintaining and operating the Centre and the Common Areas and Common Facilities made by Major Tenants;

(xvii) net recoveries that reduce the expenses incurred by the Landlord in operating and maintaining the Centre, the Common Areas, and the Common Facilities that are received by the Landlord from tenants as a result of any act, omission, default or negligence of tenants or as the result of breaches by tenants of the provisions in their leases (but not recoveries from tenants under provisions similar to this Section (aa));

(xviii) net proceeds from insurance policies taken out by the Landlord, to the extent that the proceeds relate to the costs and expenses incurred in the maintenance and operation of the Centre, the Common Areas, and the Common Facilities;

(xix) leasing commissions, legal fees, costs, and disbursements on a full indemnity basis, and other expenses incurred in connection with negotiations or disputes with tenants or prospective tenants; and

(xx) renovating or otherwise improving or decorating, painting or redecorating leased space for tenants other than ordinary maintenance and repairs provided to all tenants;

(ab) **“Owners”** means the owner or owners from time to time (other than the Landlord) of the freehold or leasehold title of the Centre. In Sections that contain a release or other exculpatory provision or an indemnity in favour of an Owner, “Owners” includes the officers, directors, employees, and agents of the Owners, and the Landlord acts as agent for, or as trustee for, the benefit of the Owners so that each such release, indemnity, and/or other exculpatory provision is fully enforceable by the Owners;

(ac) **“Parties”** means the parties to this Lease and their successors and assigns;

(ad) **“Percentage Rent”** means the rent specified in Item (n) of the Summary of Basic Certain Lease Terms and payable by the Tenant pursuant to Section 4.4(b);

(ae) **“Permitted Encumbrances”** mean the charges, covenants, encumbrances, liens, and judgments set out in Schedule H;

(af) **“Person”** means, if the context allows, a person, firm, partnership or corporation, group of persons, firms, partnerships or corporations, or any combination of them;

(ag) **“Premises”** means those premises constructed or to be constructed by the Landlord on the Property, having a Rentable Area set out in Section (h) of the Lease Summary and shown outlined in heavy black line and marked “Premises” on the plan attached hereto as Schedule E;

(ah) **“Prime Rate”** means the annual rate of interest announced from time to time by the Landlord’s bank as a reference rate then in effect for determining interest rates on Canadian dollar denominated commercial loans made in Canada;

(ai) **“Property”** means the lands situate in *[municipality]*, and civically described as *[civic description]*, and more particularly described as:

*[legal description]*;

(aj) **“Province”** means the Province of British Columbia;

(ak) **“Released Persons”** means collectively and individually and includes the Landlord, the Management Company, the Owners, and the Mortgagee;

(al) **“Rent”** means Additional Rent, Basic Rent, and Percentage Rent;

(am) **“Rent Commencement Date”** means, as to:

(i) Additional Rent, the day and year referred to in Item (o) of the Summary of Certain Basic Lease Provisions; and

(ii) Basic Rent, the day and year referred to in Item (o) of the Summary of Certain Basic Lease Provisions,

or in either case, the date the Tenant is ready to open and commence business, whichever is earlier; and

(iii) Percentage Rent, the day as set out in Section 4.4(b);

(an) **“Rentable Area”** means the area of the Premises measured from: (a) the exterior face of exterior walls, doors and windows; (b) the exterior face of interior walls, doors and windows separating the Premises from Common Areas and/or Common Facilities; (c) the exterior face of interior walls that are not party walls, separating the Premises from adjoining premises; and (d) the centre line of interior party walls separating the Premises from adjoining premises. Rentable Area includes interior space even if it is occupied by projections, structures or columns, structural or non-structural, and if a storefront is recessed from the lease line, the area of the recess is included within the Rentable Area of the Premises;

(ao) **“Rentable Premises”** means those premises (including the Premises), in or on the Centre that are, or are intended from time to time to be occupied by tenants;

(ap) **“Rules and Regulations”** means the Rules and Regulations set out in Schedule G adopted, promulgated, revised or amended by the Landlord from time to time under Section 22.3;

(aq) **“Sales Tax”** means the amounts payable to the Landlord in respect of “Sales Taxes” as defined in Section 12.4;

(ar) **“Schedules”** or “Schedule” means the Schedules or a Schedule, as the context requires to this Lease;

(as) *[“Section” means a section or subsection in this Lease, and Section includes Subsection, unless the context otherwise requires;] [amend if using Articles, clauses, subclauses, and paragraphs]*

(at) **“Security Deposit**” means the amount, if any, set forth in Item (p) of the Summary of Certain Basic Lease Provisions;

(au) **“Summary of Certain Basic Lease Provisions”** means the summary contained in the first pages of this Lease;

(av) **“Tax Costs”** means the total, without duplication, of sums paid by the Landlord in respect of Taxes, less contributions to the Taxes paid by the Major Tenants;

(aw) **“Taxes”** means the aggregate of Corporation Capital Tax and all local improvement or similar rates, duties, assessments, and charges, municipal realty taxes, water taxes, school taxes, or any other taxes, rates, duties, assessments, both general or special, levied or imposed upon or in respect of the Centre (including any parking facilities therein or the use thereof) by any Taxing Authority, and any rates, duties, assessments, charges, or taxes levied, charged, or assessed in lieu thereof, together with all costs and expenses, including legal and other professional fees on a full indemnity basis and interest and penalties on deferred payments, incurred by the Landlord in good faith contesting or appealing any such taxes, levies, rates, assessments, or charges, including business and property taxes, if any, charged on the Centre, but not including business taxes charged in respect of the business or activities of tenants or others in the Centre or taxes levied on the business operations of the Landlord;

(ax) **“Taxing Authority”** means any duly constituted government authority, whether federal, provincial, municipal, or otherwise, legally empowered to impose taxes, rates, assessments, or charges, or other charges in lieu thereof, on, upon or in respect of the Landlord or the Centre;

(ay) **“Tenant”** means the Party set forth in Item (b) of the Summary of Certain Basic Lease Provisions and any extension thereof and any Person mentioned as Tenant in this Lease. “Tenant” includes, where the context allows, the officers, directors, employees (while in the ordinary course of their employment), agents, invitees, and licensees of the Tenant, and those over whom the Tenant may reasonably be expected to have control;

(az) **“Tenant Inducements”** means any allowances, inducements, or rent-free periods;

(ba) **“Tenant’s Proportionate Share”** means that fraction that has as a numerator the Rentable Area of the Premises and has as a denominator the Total Rentable Area (provided that the Total Rentable Area will be reduced by the total of all Rentable Areas leased by Major Tenants);

(bb) **“Tenant’s Work”** means the work to be performed by the Tenant at its cost and expense more particularly set forth in *[add Section references]* of Schedule B;

(bc) **“Term”** means the term of this Lease as set forth in Item (i) of the Summary of Certain Basic Lease Provisions and any extension thereof;

(bd) **“Term Commencement Date”** means the day referred to in Item (j) of the Summary of Certain Basic Lease Provisions and any extension thereof;

(be) **“Total Rentable Area”** means the total of all areas within the Centre designated by the Landlord from time to time for leasing and measured in the same manner as Rentable Area;

(bf) **“Transfer”** means and includes an assignment of this Lease or a sublease or a licence of all or part of the Premises or any other occupation of the Premises except by the Tenant, as the case may be;

(bg) **“Transferee”** means and includes an assignee or a subtenant or licensee, as the case may be.

**SCHEDULE B**

***[An example of Schedule B—Description of Landlord’s Work and Tenant’s Work—  
is not included in this sample lease.]***

**SCHEDULE C**

**PROCEDURE FOR LANDLORD’S WORK AND TENANT’S WORK**

**1. Landlord’s Work and Tenant’s Work**

The Tenant will, within *[number]* days after the date of delivery of possession of the Premises to the Tenant, which date will be established by the Landlord by notice to the Tenant, complete or cause to be completed the Tenant’s Work. The Tenant’s Work includes the procurement and installation or either of these, at its own expense, of those items set forth in *[Section reference]* of Schedule B that are to be installed and procured by the Tenant in accordance with the procedures set out in this Schedule C and all such other work as the Tenant may desire to perform in the Premises and to which the Landlord may agree, provided no such work will be commenced by the Tenant until architectural or engineering plans and specifications relating to the Tenant’s Work have been supplied to the Landlord and approved by it in writing.

**2. Tenant’s Work**

All work or equipment, other than those items specifically enumerated as Landlord’s Work, will be performed and supplied by the Tenant at its own cost and expense, and the Tenant will, in accordance with the procedures set out in this Schedule C and subject to obtaining the consent of the Landlord as provided for herein, fully equip the Premises with all modern and first class trade equipment, lighting fixtures, furniture, operating equipment, furnishings, fixtures, floor coverings, heating, ventilating, and air-conditioning equipment and any other equipment necessary for the proper operation of the Tenant’s business and such installation will be completed without damage to the structure of the Premises or to the heating, ventilating, air-conditioning, sprinkler, plumbing, electrical, and other mechanical systems of the Centre. The Tenant will provide proper hoarding to the satisfaction of the Landlord in front of the Premises during construction.

**3. Completion of Tenant’s Work**

The Tenant will upon completion of the Tenant’s Work and prior to opening the Premises for business, furnish the Landlord with the following:

(a) a statutory declaration sworn by the Tenant, or a responsible officer of the Tenant, setting forth that the Tenant’s Work has been completed to its satisfaction and in strict accordance with Schedule B and the approved plans and specifications, which statutory declaration may be relied upon by the Landlord, it being understood that any deliberate or negligent misstatement or false statement by or on behalf of the Tenant will constitute a breach of covenant in this Lease;

(b) a statutory declaration sworn by the contractor or contractors or a responsible officer or officers of the contractor or contractors performing the Tenant’s Work, setting forth that the Tenant’s Work has been fully completed in accordance with Schedules B and C, listing all sub-contractors, workers, and suppliers supplying work and materials or any of these for the Tenant’s Work, and stating that all sub-contractors, workers, and suppliers supplying work and materials or any of these for the Tenant’s Work have been paid in full; and

(c) a waiver of lien with respect to work done and material supplied to the Premises, executed by the contractor or contractors, and if requested by the Landlord, waivers of lien executed by the sub-contractors, workers, and suppliers supplying work and materials or any of these for the Tenant’s Work.

**4. Agreement for Construction**

If the Landlord and Tenant enter into a written agreement whereby the Landlord agrees at the Tenant’s cost and expense to provide labour and other services and material for the Tenant’s Work, upon the receipt of the Tenant’s plans and specifications as provided in Schedule B, the Landlord will notify the Tenant of the estimated cost of the Tenant’s Work, as estimated by the Landlord’s contractor, and the Tenant waives any claims against the Landlord or the Landlord’s contractor with respect to the accuracy of the aforementioned estimate. The Tenant covenants that it will within *[number of days]* of such notification deposit with the Landlord an amount equal to *[percentage]* of such estimate. Upon completion of the Tenant’s Work by the Landlord’s contractor, the Landlord will bill the Tenant for the balance of the cost of the Tenant’s Work and the Tenant will pay such balance to the Landlord within *[number of days]* after the receipt of such statement. The cost of the Tenant’s Work will include labour, material, and applicable taxes, architectural, engineering, and contractor’s fees and a sum equal to *[percentage]* of the final cost of such work as a process fee. Added to such cost will be any costs incurred by the Landlord through changes that the Tenant may make or request after the Landlord has approved the Tenant’s plans and specifications. Should the Tenant fail to make such payments as provided above, the Landlord may at any time thereafter declare this Lease to be null and void and of no further force and effect and the Tenant will reimburse the Landlord for any costs (including legal fees on a full indemnity basis), losses, or damages that the Landlord may sustain by reason of such failure.

**5. Acceptance of Premises**

The opening by the Tenant of its business in the Centre will constitute an acknowledgement by the Tenant that the Premises are in the condition called for by this Lease, that the Landlord has performed all of the Landlord’s Work with respect thereto, and that the Tenant reserves or asserts no rights for claims, offsets, or back charges except for any latent defects discovered within *[90]* days of the opening by the Tenant of its business in the Centre.

**6. Liens**

The Tenant will pay before delinquency for all materials supplied and work done in respect of the Tenant’s Work so as to ensure that no lien or claim of lien is registered against any portion of the Property or against the Landlord’s or Tenant’s interest in the Property. If a lien or claim of lien is registered or filed, the Tenant will discharge it at its expense within *[five]* Business Days after written notice from the Landlord (or sooner if such lien or claim is delaying a financing or sale of all or any part of the Property), failing which the Landlord may at its option discharge the lien or claim of lien by paying the amount claimed to be due into court, and the amount so paid and all expenses of the Landlord including legal fees (on a full indemnity basis) will be paid by the Tenant to the Landlord.

**SCHEDULES D, E, and F**

***[Examples of Schedules D—Signage Policy, E—Plan of Premises, and F—Plan of Centre   
are not included in this sample lease.]***

**SCHEDULE G**

**RULES AND REGULATIONS**

(1) The Tenant will not perform any acts or carry on any practice that may injure the Common Areas or Common Facilities or be a nuisance to any other tenants of premises situated in the Centre.

(2) The Tenant will not burn any trash or garbage in or about the Premises or anywhere within the confines of the Centre.

(3) The entrances, lobbies, elevators, escalators, staircases, and other facilities of the Centre are for use only for access to the Premises and other parts of the Centre, and the Tenant will not obstruct or misuse such facilities or permit them to be obstructed or misused by its agents, employees, invitees, or others under its control.

(4) No safes or other heavy equipment will be moved by or for the Tenant unless the consent of the Landlord is first obtained and unless all due care is taken. Such equipment will be moved upon the appropriate steel-bearing plates, skids, or platforms and subject to the Landlord’s direction, and at such times and by such persons as the Landlord will have approved. No fixtures, freight, or bulky matter of any description will be moved in or out of the Premises or carried in the elevators of the Centre except during such hours as the Landlord has approved. Hand-trucks and similar appliances will be equipped with rubber tires and other safeguards approved by the Landlord and will be used only by prior arrangement with the Landlord.

(5) The Tenant will permit and facilitate the entry of the Landlord, or those designated by it, into the Premises for the purpose of inspection, repair, and other proper purposes, and will not permit access to main header ducts, janitor and electrical closets, and other necessary means of access to mechanical, electrical, and other facilities to be obstructed by the placement of fixtures or otherwise. The Tenant will not place any additional locks or other security devices upon any doors of the Premises without the prior written approval of the Landlord. The Landlord’s approval will be subject to any conditions imposed by the Landlord for the maintenance of necessary access.

(6) At any time other than during normal business hours the Landlord may require that all or any persons entering and leaving the Centre satisfactorily identify themselves and register in books kept for the purpose, may prevent any person from entering the Premises unless provided with a key thereto and a pass or other authorization from the Tenant in a form satisfactory to the Landlord, and may prevent any person removing any goods therefrom without written authorization.

(7) The Tenant will receive, ship, and take delivery of, and allow and require suppliers and others to deliver and take delivery of, supplies, fixtures, equipment, furnishings, and merchandise only through the appropriate service and delivery facilities provided in the Centre and subject to such further and other regulations as the Landlord may from time to time impose.

(8) At the sole cost and expense of the Tenant, the Premises will be kept by the Tenant in a clean, tidy, and sanitary condition and free from rodents, vermin, and the like, and no debris, garbage, trash, or refuse will be placed or left, or be permitted to be placed or left in, on, or upon any part of the Centre, but will be deposited by the Tenant in areas and at times and in a manner designated by the Landlord from time to time. Should any of the items herein mentioned be of a perishable nature, the same will be kept in a properly refrigerated area provided at the cost of the Tenant. Should there be costs for removal of said items additional to the removal service provided by the Landlord or by the City or should the City charge for such service, then the Tenant will pay for such costs. If such costs are billed to and paid by the Landlord, the Tenant will pay such costs to the Landlord on demand, together with an administration fee equal to *[15]*% of the total of such costs incurred by the Landlord.

(9) The Tenant will not permit the Premises to be used for cooking (except with the Landlord’s prior written consent) or for sleeping.

(10) The Tenant will not perform, patronize, or (to the extent under its control) permit any canvassing, soliciting, or peddling in the Centre, will not install in the Premises any machines vending or dispensing refreshments or merchandise, save as permitted by the Landlord, acting reasonably.

(11) The Tenant will not cause or permit any machines selling merchandise, services, or entertainment, including without limitation vending machines, video machines, or other machines operated by coins or other devices, to be present on the Premises unless expressly permitted in writing by the Landlord, which permission may not be unreasonably withheld with respect to those machines vending food and drink and installed for the sole benefit of the Tenant’s employees.

(12) The Tenant will keep the display windows of the Premises suitably illuminated during the business hours of the Centre, such hours as may be determined from time to time by the Landlord and during such other reasonable hours as the Landlord may determine.

(13) In order to maintain satisfactory and uniform pest control throughout the Centre, the Tenant will engage for the Premises at its sole cost and expense such pest extermination contractor from time to time as the Landlord directs.

(14) Should the Tenant wish to install drapes or blinds in the exterior windows of the Premises, the Tenant will first have them approved by the Landlord as to colour and design.

(15) The Tenant will keep all windows of the Premises closed at all times, both day and night, unless the air-conditioning or ventilating systems are not operating.

(16) The Tenant will not change any locks to the Premises and all such locks and keys including electronic key cards or systems for such locks will be installed, cut, and made by the Landlord, and any locks installed by the Tenant contrary to this Section may be removed and otherwise changed by the Landlord at the cost of the Tenant and such action on the part of the Landlord will not be deemed to be re-entry on the part of the Landlord.

The foregoing Rules and Regulations, as from time to time amended, are not necessarily of uniform application, but may be waived in whole or in part in respect of other tenants without affecting their enforceability with respect to the Tenant and the Premises, and may be waived in whole or in part with respect to the Tenant without waiving them as to future application to the Tenant, and the imposition of such Rules and Regulations will not create or imply any obligation of the Landlord to enforce them or create any liability of the Landlord for their non-enforcement.

**SCHEDULES H, I, AND J**

***[Examples of Schedules H—Permitted Encumbrances, I—Indemnity Agreement, and   
J—Special Provisions are not included in this sample lease.]***