# FIRST EXTENSION AGREEMENT

TlllS FIRST EXTENSION AGREEMENT made this 7TH day of June, 2017. BETWEEN:

# <<LANDLORD\_NAME>>,

hereinafter called the "Landlord" OF THE FIRST PART,

-and-

# TOBMAR INVESTMENTS INC. (dba'GATEWAY NEWSTANDS')

hereinafter called the "Tenant" OF THE SECOND PART,

**WHEREAS**by a lease dated the 12th day of September, 2007 (the "Lease") The Standard Life Assurance Company of Canada (the "Original Landlord") leased to the Tenant, premises (the "Initial Premises") located in the Building located at 100 Sheppard Avenue East, in the City of Toronto, being Suite 120 and more particularly described in the said Lease, for a term of ten (10) years expiring on June 30, 2017 (the ''Term") at an annual rent (the "Basic Rent") during the last Lease Year of the Term of Four Thousand and Thirty-two Dollars ($4,032.00) and subject to the terms and conditions set forth in theLease;

**AND WHEREAS**the parties acknowledge and agree that the Tenant relocated from the Initial Premises to the New Premises during the initial Term of the Lease, and that the Premises as defined in Section 7(w) of PART I of Lease are the premises identified as Suite 120 as shown on Schedule "A" attached to this First Extension Agreement.

**AND WHEREAS**the Premises were measured in accordance with the standard method for measuring floor in office buildings (BOMA/ANSI 265.l 1996) and were certified to be two hundred and ninety-one (291) square feet as shown on the Ground Floor Area Certificate attached as Schedule "A" to this First Extension Agreement.

**AND WHEREAS**The Manufacturers Life Insurance Company (the "Landlord") is the current owner of the Building as of October 28, 20lO;

**NOWWITNESSETHthat**inconsiderationoftherents,covenantsandagreementscontainedintheLease, andinconsiderationofthecovenantsandagreementshereinaftercontained,andthesumofONEDOLLAR**($1.00)**now paid by each of the parties to the other (the receipt and sufficiency of which is hereby acknowledged),theLandlordandtheTenant herebyagreetoextendandamendtheLeaseonthefollowing terms andconditions:

l.The Term of the Lease is extended for one(l)year commencing on JulyI,2017 and expiring on June 30, 2018 (the "First ExtensionTerm").

1. During the First Extension Term, the Tenant shall pay an annual Basic Rent of Two Thousand Nine Hundred and Ten Dollars ($2,910.00) plus applicable taxes payable in advance, in equal monthly instalments of Two Hundred and Forty-Two Dollars and Fifty Cents ($242.50) plus applicable taxes on the first day of each month during the First Extension Term, the first payment to be made on July 1, 2017. The foregoing Basic Rent is based on $10.00 per square foot of Rentable Area perannum.
2. As of the commencement of the First Extension Term, the Lease shall be amended by adding the following new Sections 4.1 to 4.7, inclusive, to PART 3 of theLease:

# "4.1 PERCENTAGERENT

Inaddition to the Basic Rent, Additional Rent and all other amounts payable hereunder, the Tenant shall pay to the Landlord yearly and every year during the First Extension Term and any extensions or renewals thereof, without any prior demand therefor and

LEASE RENEW/EXTEND (SEPT 2010)

INITIAL



without deduction, abatement, set-off or compensation, a sum (herein called "Percentage Rent") equal to the amount, if any, by which eight percent (8%) of the Tenant's yearly Gross Sales exceeds the Basic Rent for each Lease Year.

## PERCENTAGE RENT FOR PARTIALYEARS

Ifthe day of termination of this Lease is other than the last day of a Lease Year, Percentage Rent for the partial year shall be equal to the amount, if any, by which the percentage set out in Section 4.1 of PART 3 of the Tenant's Gross Sales during the partial year exceeds the Basic Rent payable in respect of the partialyear.

## MONTHLYREPORTS

No later than the tenth day of each month during the First Extension Term and any renewals or extensions thereof and the month following the end of the Term, the Tenant shall provide the Landlord with a statement in writing signed and certified as true and correct by the Tenant showing in reasonable detail and in a form reasonably satisfactory to the Landlord from time to time:(1)the Tenant's Gross Sales for the preceding month;

(2) the Tenant's Gross Sales for all preceding months of the calendar year; and (3) the payments made on account of Percentage Rent for the calendar year.

## INSTALMENTS OF PERCENTAGERENT

Instalments of Percentage Rent shall be payable on the tenth day following the end of each month during the First Extension Term and any renewals or extensions thereof. Each instalment shall be equal to the amount, if any, by which the percentage set out in Section 4.1 of PART 3 of the Tenant's Gross Sales during the preceding month exceeds the instalment of Basic Rent payable in respect of suchmonth.

## ANNUALREPORT

Within sixty (60) days after the end of each Lease Year during the First Extension Term and any extensions or renewals thereof, and within sixty (60) days after the end of each partial year (unless specifically waived in writing by the Landlord), the Tenant shall provide the Landlord with an audited statement showing month by month its Gross Sales for such year or partial year and the calculation of the balance of Percentage Rent(ifany) due in respect of such year or partial year. Such statement shall be in the same form as the monthly statement referred to in Section 4.3 of PART 3, but shall be audited by a chartered accountant or other accredited public accountant reasonably satisfactory to the Landlord. Such accountant shall give his opinion without qualification that he has conducted a general review of the Tenant's accounting procedures and such tests of the Tenant's books and records as he considered necessary and that, in his opinion, the statement fairly presents the Tenant's Gross Sales as defined in this Lease for the period of the statement. The Tenant will not change its procedure relating to any aspect of its reporting of Gross Sales without the Landlord's prior written consent, which consent shall not be unreasonablywithheld.

## ANNUALADJUSTMENT

Any balance of Percentage Rent for any Lease Year during the First Extension Term or any extension or renewal thereof in excess of amounts payable by instalments shall be payable at the same time as the Tenant is required to deliver the annual statement referred to in Section 4.5 of PART 3 for such year or partial year. Such balance shall be forwarded by the Tenant to the Landlord together with the statement mentioned in Section 4.5 of PART 3. If the statement shows that the instalments of Percentage Rent paid in respect of such period of the statement exceed the Percentage Rent payable, the Landlord shall, unless the Tenant is in default under any terms and conditions of this Lease or Landlord decides to conduct an audit under Section 6 of PART 3, withinthirty

(30) days after receipt of the statement, refund any such excess to the Tenant or apply such excess to instalments of Basic Rent and Percentage Rent next falling due after the end of such thirty (30) day period.

## SUBTENANTS ANDOTHERS

The Tenant shall require any and all subtenants, concessionaires, licensees and others conducting business on or about the Premises to deliver to the Landlord all of such

LEASE RENEW/EXTEND (SEPT 2010)

statements and reports as and when required to be delivered by the Tenant pursuant hereto and the Landlord shall have the same rights in respect of all such subtenants, concessionaires, licensees and others as it does with respect to Tenanthereunder."

1. The parties acknowledge and agree that Section 6 of Schedule "A" attached to the Lease dated the12thdayofSeptember,2007isnull andvoidandthattheTenanthasnooptions toextendtheTerm.
2. This**First Extension**Agreement shall be read together with the Lease and the parties confirm that, except as modified herein, all covenants and conditions in the Lease remain unchanged, unmodified and in full force and effect during the**First Extension**Term save and except the right of further renewal or extension, unlessspecifically agreed to in the Lease and save and except that anyLandlord'sWork, the FixturingPeriod,LeaseholdImprovement Allowance as set out in Sections 2,3and4,respectively, of Schedule"A"attachedto the Lease dated the 12th day of September, 2007, Basic Free Rent Period (if any)andanyotherinducementsshall not apply to the First Extension Term. The Tenant agrees that it willacceptthePremisesin an "asis"condition.
3. Anycapitalizedword or term not otherwise defined herein shall have the meaning given thereto intheLease.
4. Thepartiesagree,fromtimeto time, to do or cause to be done all such things, and shall executeanddeliverallsuchdocuments, agreementsand instruments reasonably requested by another party, asmaybenecessa ryor desirable to complete the extension contemplated by this First Extension Agreementandto carry out its provisions andintention.
5. This First Exten ion Agreement shall enure to the benefit of and be binding upon the parties and their legal representatives, heirs, executors, administrators, successors and permitted assigns, as the casemaybe.

**IN WITNESS WHEREOF**the parties hereto have executed this**First Extension**Agreement.

Landlord:

# THE MANUFACTURERS LIFE INSURANCE COMPANY



Witne as tosigning byLandlord



Witness as to signing by Tenant or officer(s) of Tenant

By Na: tt E,;;6

Title: ManagilgDirector,GrealerTorantManulife**RealEstate**

I/We have authority to bind the Corporation



CHECKED

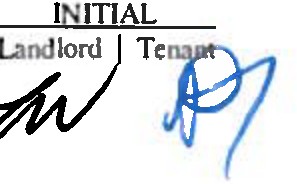


By: Name:

Title:

I/We have authority to bind the Corporation

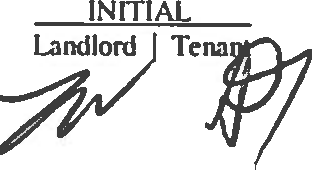
EASE RENEW/EXTEND(SEPT2010) 3



SCHEDULE "A" AREA CERTIFICATE

.,\_..\_ .--.---

|  |  |  |  |
| --- | --- | --- | --- |
| 0 10 50FT.  lACll1C-"lll:•"n'lfDSY5"M!fDAT-o.eIN  ACOOR!l'INCE"MT!<ThE 8TAAO.YIDIIFTH00**'9111El\&URINO**  **rLo::te*M%Am*OffKifeu,,me,.ftO!M.1AN'm•,**,.,, | | | |
| PACEDATABASE" |  | 100 SHEPPARD AVE. EAST  TORONTO. ONTARIO | --  GROUND FLOOR  AREA CERTIFICATE |
|  | , ..,**ACl2D**  ....... |

LEASE RENEW/EXTEND(SEPT2010) 4