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APPENDICES AND SCHEDULES

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STORE LEASING CONTRACT

This leasing contract is made as of the date set out in key data item 22 between the person named in key data item 18 as Landlord and the person named in key data item 19 as Tenant.

In consideration of the rents to be paid and the covenants contained in this leasing contract, Landlord leases the Store to Tenant and Tenant leases and accepts the Store from Landlord, to have and to hold the Store during the Term, at the rent, subject to the conditions and limitations and in accordance with the covenants contained in this leasing contract.

PART 1

DEFINED TERMS, APPENDICES AND SCHEDULES

1.1 Each reference in this lease to any portion of the key data in Appendix I shall incorporate the specific information described in Appendix I. Certain words and phrases recurring throughout this lease have defined meanings as set out in Schedule 1. All appendices and schedules to this lease form part of this lease.

BASIC PRINCIPLES OF THE CONTRACT

1.2 This is a lease as well as a business contract. It is intended that this lease be an absolutely net and carefree lease for Landlord and that rent be received by Landlord free of any cost or obligation concerning the Store or the Project unless specified in this lease. Each provision of this agreement applicable to each party although not expressed as a covenant, shall be construed to be a covenant of such party for all purposes.

PART 2

OPENING AND USE OF STORE

FIXTURING AND OPENING

2.1 Tenant has inspected the Store and has accepted the Store in its condition as existing prior to commencement of any work by Landlord or Tenant. Tenant shall prepare the Store for opening and all work and materials necessary to do so shall be paid for by Tenant and shall conform strictly with plans and specifications to be prepared by Tenant and to be reviewed by Landlord in accordance with the Construction Schedule and Design Criteria. Landlord agrees to provide not less than 7 days prior notice of the commencement of the Fixturing Period. During the Fixturing Period Tenant shall occupy the Store and diligently carry out and complete all its work in a good and workmanlike manner. Tenant shall also complete the installation of its trade fixtures, equipment and merchandise in order to have the Store finished and ready to open for business on the Commencement Date. Prior to commencing any Tenant's Work, Tenant shall provide Landlord with an insurance certificate from its contractor's insurers confirming builder's risk and commercial general liability coverage in an amount not less than five million (\$5,000,000) dollars per occurrence and a copy of the Hazardous Substance Audit for the Store which shall be completed on behalf of and at the sole expense of Tenant by an environmental consultant designated or approved by Landlord. During the Fixturing Period all provisions of this lease shall be applicable to Tenant's possession of the Store except that Tenant shall not be obligated to pay Basic Rent during such period. Upon being invoiced Tenant shall pay for all waste and refuse removal and all Utilities and HVAC furnished to it or its contractors by Landlord during the Fixturing Period and shall pay items of Additional Rent which are expressed to be payable under this lease during such period.

Tenant shall not be otherwise obligated to pay Additional Rent to Landlord during such period. Tenant agrees to take possession of the Store and open the Store for business by the Commencement Date.

USE OF STORE

2.2 Tenant agrees:

.1 not to commence business in the Store until the Opening Date if the Opening Date is later than the Commencement Date and, so long as Tenant does not so commence business in the Store, all rent first becoming payable on or after the Commencement Date shall abate until the Opening Date.

.2 that subject to Section 2.2.1, the Store shall be continuously occupied and used from and after the Commencement Date to the expiry of the Term and in compliance with the Operating Standards, solely for the use specified in key data item 5. No merchandise or service, except that which is specifically authorized in this lease to be offered for sale or use at the Store, shall be permitted to be displayed, sold or used.

.3 to conduct such use in the whole of the Store and to operate only under the trade name specified in key data item 4.

.4 to keep the Store open during the Retail Hours and not otherwise. Tenant shall not be required to open for business at times when it is not permitted to do so by law.

.5 not directly or indirectly whether as an owner, partner, shareholder, principal, agent, employee or independent contractor or otherwise, engage in or participate in or be a holder of any security of any nature whatsoever of, or be a lender to or an owner of any debt or portion of a debt of, or furnish any financial aid or other support or assistance of any nature whatsoever to, any Competing Business.

.6 if Tenant breaches the covenant contained in Section 2.2.5, then in addition to the rights and remedies provided in Part 9 of this lease, from the date on which such Competing Business opens for business, the Basic Rent shall be increased in the same manner as is provided for in Subsection 2.6.1(d)(ii) and Landlord may, at Landlord's election, exercise any one or more of the following rights,

- (a) terminate this lease by giving a termination notice to Tenant which specifies a date of termination of the lease which is at least 30 days after such termination notice is given, or
- (b) enjoin the operation of the Competing Business.

.7 that if Tenant fails to take possession of or to open or to re-open the Store for business, fully fixtured, stocked and staffed, or to carry on business during the Term during the whole of the Retail Hours strictly in accordance with the provisions of this lease, Landlord shall be entitled on demand, in addition to any other remedies available to it, to collect a charge (in addition to all other charges payable hereunder) calculated at an hourly rate of \$50.00 for each and every hour, or part thereof, that Tenant fails to carry on business as required. Such amount is a liquidated sum which the parties specifically agree represents the minimum amount of damage which Landlord shall be deemed to have suffered for loss of percentage rentals which otherwise might reasonably have been payable by tenants in the Project and for loss of the benefit of the advertising and promotional expenses incurred by Landlord for the Project and is without prejudice to Landlord's right to claim and prove a greater sum of damages or to avail itself of any other remedies for breach of this lease.

.8 if Tenant is a Fast Food Service Tenant it shall comply with the special provisions governing the design, construction, maintenance and ongoing operation of the fast food service areas, including without limitation the provisions in Section 7.3 and paragraph 11 of Schedule 2.

OPERATING STANDARDS

2.3 Tenant shall comply with the Operating Standards. Landlord may from time to time make other rules and regulations to amend and supplement the Operating Standards and which relate to the operation, use, reputation, safety, care or cleanliness of the Project and the Store, the operation and maintenance of buildings and equipment, the use of Common Facilities, and any other matters affecting the operation and use of the Project and conduct of business in the Store and which may differentiate between different types of businesses.

ALTERATIONS TO STORE

2.4 Tenant shall not make any alteration, installation, repair, addition or improvement to the Store or make, construct, erect, alter or install any sign or Leasehold Improvements in or to the Store, except with the prior written approval of Landlord and in accordance with the procedures and provisions set out in this lease and the Construction Schedule.

LIENS

2.5 Tenant shall at its own expense immediately discharge or vacate all construction, mechanics' or other liens or executions that may be filed during the Term against this lease, the Store or the Project with respect to any work or services performed or goods or material furnished at the request or for or on behalf of Tenant.

TRANSFER OF STORE

2.6 .1 Tenant covenants that no Transfer affecting Tenant, this lease, the Store or the business of Tenant at the Store shall be permitted or effective unless and until Landlord's written consent to the Transfer is delivered to Tenant. Tenant shall deliver to Landlord its written request for consent to such Transfer together with copies of the proposed Transfer documents and shall provide Landlord with full particulars of the proposed Transfer and the business and financial responsibility and standing of the proposed transferee and Tenant shall cause the transferee to deliver to Landlord a copy of the transferee's detailed business plan for operation of the Store during the remainder of the Term, which plan must be satisfactory to Landlord. If Tenant requests Landlord's consent to any Transfer, Landlord may, within 45 days after receipt of such request and receipt of all required documents and information, either:

- (a) refuse its consent (which refusal may be without any reasons being given or for reasons which are arbitrary or unreasonable, and such refusal shall not be subject to any review or any contestation by anyone) where the request is made at any time during the initial three lease years of the Term; or
- (b) withhold its consent to a proposed Transfer on any reasonable basis or on the basis provided in this clause (b) and, in this connection, the parties acknowledge that Landlord agreed to enter into this lease with the original Tenant named in key data item 19 after the exercise of Landlord's own judgment and expertise in determining that such original Tenant was a suitable tenant for the Project having regard to the size and nature of the Project, the substantial investment in the Project by Landlord or any Taxpayer and the business and personal characteristics of such original Tenant. Accordingly, if a Transfer

is proposed, Landlord will similarly be entitled to exercise its own judgment and expertise in determining whether the proposed transferee is suitable to Landlord and for the Project; or

- (c) elect to terminate this lease if the request is with respect to a change of control of Tenant or a Transfer of all of the Store, or if the request is to Transfer a portion of the Store only, to terminate this lease with respect to such portion. If Landlord elects to terminate this lease and so advises Tenant in writing, Tenant shall then notify Landlord in writing within 15 days thereafter of Tenant's intention either to refrain from such Transfer or to accept the termination of the lease (in whole, or in part). Failure of Tenant to deliver notice to Landlord within such 15 day period advising of Tenant's intention to refrain from such Transfer, shall be deemed to be an acceptance by Tenant of Landlord's termination of this lease (in whole, or in part, as the case may be). Any termination of this lease pursuant to this Section 2.6.1 shall be effective on the later of the date originally proposed by Tenant as being the effective date of Transfer or the termination date specified in the termination notice which shall be the last day of a month not less than 60 days following the date Landlord's termination notice is given.
- (d) grant its consent with such conditions, if any, as Landlord elects to impose in its sole discretion, which conditions shall be effective upon completion of such Transfer and may include but are not limited to:
 - (i) further limitations upon the use and occupancy of or business to be carried on in the Store;
 - (ii) an increase in Basic Rent to an amount which is the greater of:
 - (1) the annual average of the aggregate of Basic Rent and Percentage Rent payable by Tenant during the 2 years preceding the Transfer, or if less than 2 years have then elapsed, the aggregate of the Basic Rent and Percentage Rent payable by Tenant during such period adjusted to represent an annual amount, and
 - (2) the then fair market basic rent for the Store for the balance of the Term, as determined by Landlord;
 - (iii) the relinquishment of any rights, to renew this lease or extend the Term, or in respect of additional premises in the Project, or of exclusivity of use, or of restrictions on Landlord's use or leasing of any part of the Project and,
 - (iv) the requirement that any party to the Transfer enter into a new lease with Landlord on Landlord's then standard lease form for the Project and that Tenant enter into such new lease as indemnifier;
 - (v) the deletion of any of the amendments to Landlord's standard form of lease contained in this lease;
 - (vi) the requirement that the Store or any part thereof be renovated to comply with Landlord's then current design criteria for the Project in accordance with all applicable provisions of this lease; and

- (vii) the requirement that any party to the Transfer other than Tenant covenant directly with Landlord in writing and on a joint and several basis to perform and observe such of the covenants, obligations and agreements of Tenant under this lease as Landlord requires;
- (viii) waiver by Tenant of any then remaining rights to rent free periods or other inducements of any kind provided under the lease; and
- (ix) acceleration of any outstanding tenant loan to be due and payable in full on demand of Landlord.

2.6 .2 If Landlord agrees to grant its consent to any Transfer under Section 2.6.1:

- (a) Tenant shall not permit or cause such Transfer to be completed except:
 - (i) upon terms consistent with the terms of Tenant's request and information under Section 2.6.1 (except to the extent modified by any conditions imposed by Landlord under Section 2.6.1); and
 - (ii) upon conditions imposed by the Landlord, if any, under Section 2.6.1; and
 - (iii) upon terms not otherwise inconsistent with the terms of this lease;
- (b) the Tenant shall cause to be executed and delivered by any party to the Transfer (including Tenant) such documentation as may be required by Landlord in connection with such Transfer;
- (c) if Tenant shall receive or be entitled to receive from any transferee either directly or indirectly, any consideration for the Transfer or the use of the whole or any portion of the Store, either in the form of money or monies worth, goods, or services, Tenant shall forthwith pay an amount equivalent in value to such consideration to Landlord and such amount shall be deemed to be Additional Rent due;
- (d) in the event of any subletting or other Transfer by Tenant under which Tenant receives a rent or other payment of any kind related to any sublease or other right to use the Store or conduct the business of Tenant therein, in the form of money or monies worth, goods or services from the subtenant or any other person, which is more than the rent payable hereunder to Landlord, Tenant shall pay such excess to Landlord in addition to all rent, including Additional Rent, and other charges payable under this lease, and such excess amounts shall be deemed to be further Additional Rent due, but this provision shall not require Tenant to pay to Landlord the normal and usual franchise fees and royalties payable by any approved and permitted franchisee or sub-lessee operating the business in the Store so long as the amounts of such payments are the same as those payable by all of Tenant's franchisees, and
- (e) if such Transfer shall not be completed within 60 days after Landlord's consent is given, such consent shall expire and become null and void and Tenant shall not then allow or cause such Transfer to be completed without again complying with all the requirements of this Section 2.6;

and such consent shall not be effective unless and until Tenant shall have complied with Sections 2.6.2(a), (b), (c) and (d).

2.6 .3 No Transfer or other disposition by Tenant of this lease or of any interest under this lease shall release Tenant from the performance of any of its covenants under this lease and Tenant shall continue to be bound by and liable under this lease. Tenant's liability under the lease will continue notwithstanding the bankruptcy, insolvency, dissolution, restructuring or liquidation of any transferee of this lease or the termination of this lease for default or the termination, disclaimer, surrender or repudiation of this lease or the abandonment of the Store pursuant to any statute, rule of law or court order. Furthermore, if this lease is terminated for default or abandonment or is terminated, disclaimed, surrendered or repudiated pursuant to any statute, rule of law, or court order then, in addition to and without limiting Tenant's liability under this lease, Tenant, upon notice from Landlord given within 90 days after any such termination, disclaimer, surrender or repudiation, shall enter into a new lease with Landlord for a term commencing on the effective date of such termination, disclaimer, surrender or repudiation and expiring on the date this lease would have expired but for such termination, disclaimer, surrender or repudiation and otherwise upon the same terms and conditions as are contained in this lease with respect to the period after such termination, disclaimer, surrender or repudiation.

2.6 .4 Prior to Landlord considering any requested consent, Tenant shall pay to Landlord a non-refundable fee of \$500.00 for the review and consideration of any requested consent and prior to Landlord delivering any requested consent Tenant shall pay any further costs incurred by Landlord in processing each request by Tenant for consent to Transfer including all internal and external legal costs incurred.

2.6 .5 Tenant will not print, publish, post, display or broadcast any notice or advertisement or otherwise advertise that all or part of the Store is available for lease or sublease or is otherwise available for the purpose of effecting a Transfer, and it will not permit any broker or other person to do any of the foregoing, unless the complete text and format of any such notice or advertisement is first approved in writing by Landlord. Without restricting or limiting Landlord's rights to refuse any text or format on the other grounds, no text or format proposed by Tenant may contain a reference to the rental rate for the Store and in no event shall Tenant display any sign that is visible from outside the Store.

NO EXCLUSION

2.7 Nothing in this lease shall prohibit, restrict or limit or be deemed to prohibit, restrict or limit the conduct by Landlord or any person other than Tenant of any business in the Project whether or not in competition with the business of the Tenant.

PART 3

RENT

BASIC RENT

3.1 From and after the Commencement Date, Tenant shall pay to Landlord an annual rent calculated at the rate specified in key data item 10. Basic Rent so calculated shall be payable by equal monthly instalments in advance on the first day of each month, and if the Commencement Date is not the first day of a month, then the first instalment of Basic Rent shall be payable on the Commencement Date for the broken portion of the month at the beginning of the Term and shall be calculated at a per diem rate of 1/365th of the annual Basic Rent.

PERCENTAGE RENT

3.2 Tenant shall pay to Landlord in each lease year, further rent equal to the amount, if any, by which the percentage specified in key data item 11 of Gross Revenue in such lease year exceeds Basic Rent for such lease year. Percentage Rent shall be payable by monthly instalments in arrears, within 10 days after the last day of each month in each lease year. The amount of each instalment shall be calculated on a cumulative basis in each lease year by computing the aggregate Gross Revenue for such lease year up to and including the month preceding the month in which such instalment is due, applying the percentage referred to above for such lease year, and deducting the aggregate of instalments payable on account of Basic Rent for such lease year up to and including the instalment payable for such preceding month, and the aggregate of previous instalments of Percentage Rent payable for such lease year, all based upon the monthly statements of Gross Revenue referred to in Section 3.6.1, and subject to subsequent adjustment under Section 3.6.2.

ADDITIONAL RENT

3.3 From and after the Commencement Date, or such earlier date specified in this lease, Tenant shall pay to Landlord, or to others if any sums are required by the terms of this lease to be paid to anyone other than Landlord, further annual rent for the Store equal to the aggregate of the following amounts:

- .1 Tenant's Service Cost.
- .2 The cost, as determined by Landlord, of refuse and waste collection, removal, disposal or recycling for the Store.
- .3 An administrative fee equal to 15% of the total amounts payable by Tenant under Sections 3.3.1 and 3.3.2.
- .4 Tenant's Share of Operating Cost.
- .5 Tenant's Share of each Realty Tax allocated to the Common Facilities pursuant to Part 5 of this lease.
- .6 Each Realty Tax imposed upon or in respect of the Store and each Realty Tax allocated to the Store under Part 5 of this lease other than the Tenant's Share of any Realty Tax for the Common Facilities if paid by Tenant under Section 3.3.5.
- .7 All amounts payable by Tenant pursuant to the Construction Schedule.
- .8 Tenant's contributions under Part 4 of this lease.
- .9 All charges for heat, water, gas, electricity or any other Utilities used or consumed in the Store which are not supplied to Tenant by or through Landlord. If so required by any Utility company or, by Landlord or Tenant with the Utility company's agreement, separate meters shall be installed in or for the Store at Tenant's expense.
- .10 The Fast Food Service Cost Contribution.

PAYMENT OF ADDITIONAL RENT

3.4 The amount of Additional Rent which Tenant is to pay may be estimated by Landlord for such period, not in excess of 12 months, as Landlord may determine. Tenant agrees to pay to Landlord such amount in monthly instalments in advance during such period on the dates and at the times for payment of Basic Rent provided for in this lease. Tenant agrees to deliver to Landlord at the time and for the period requested from time to time by Landlord monthly post-dated cheques in amounts conforming with the monthly Basic Rent payments, plus any Additional Rent payments estimated by Landlord in advance, or at Landlord's option, all payments by Tenant to Landlord required or contemplated by this lease shall be made, if and to the extent Landlord so requires and designates, by way of an automated debiting system whereby payments are deducted from Tenant's bank account and credited to Landlord's bank account on the dates due hereunder, or by direct electronic deposit to Landlord's bank account.

STATEMENTS

3.5 As soon as practicable after the end of each Fiscal Period, Landlord shall give to Tenant an audited statement of the actual amount of Operating Cost for such Fiscal Period, and Landlord's statement of Tenant's Share thereof and from time to time Landlord shall provide statements of the actual amounts payable by Tenant for the relevant Fiscal Period for other items of Additional Rent, in each case showing in reasonable detail the information relevant and necessary to the calculation of the amounts shown to be payable by Tenant. If any such amounts are greater or less than the estimated amounts paid by Tenant on account, appropriate adjustments will be made between Landlord and Tenant within 30 days after any such statement is given. Landlord's audited statement shall be based upon the Landlord's unamended definition of Operating Cost in its standard lease form for Mall tenants in the Project from time to time.

REPORTING GROSS REVENUE

3.6 .1 Within 10 days after the last day of each month of every lease year, Tenant shall deliver to Landlord a statement in writing certified by Tenant and accurately setting forth Gross Revenue for such month. Within 60 days after the last day of each lease year, Tenant shall deliver to Landlord a statement in writing, certified by Tenant and audited by an independent chartered accountant who is acceptable to Landlord, accurately setting forth and with reasonable detail and particulars, Gross Revenue for each month in such lease year. The statement shall include a certification by such accountant that Gross Revenue has been calculated in accordance with the definition of that term in this lease.

.2 If the aggregate amount of the monthly instalments of Percentage Rent paid for any lease year is less than Percentage Rent payable for such lease year, Tenant shall, contemporaneously with the delivery of such annual statement, pay to Landlord the amount of the deficiency. If such aggregate amount exceeds Percentage Rent payable for such lease year, Landlord shall issue a credit to Tenant for the amount of the excess within 60 days of receipt of such annual statement.

RECORDS

3.7 For the purpose of ascertaining the Percentage Rent, Tenant shall prepare and keep at Tenant's head office in Canada for a period of not less than 18 months following each lease year, adequate records for such lease year which shall show inventories and receipts of merchandise at the Store and any Competing Business and daily receipts from all sales and other transactions, the proceeds of which are to be included in Gross Revenue. Tenant shall 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 computerized or electronic cash register or in cash registers having a cumulative total which shall be sealed in a manner approved by Landlord, and having such other features as shall be approved by Landlord. Such records shall include

such sales and inventory records which would normally be examined by a licensed independent public accountant pursuant to generally accepted auditing standards in performing an audit of the entire business affairs and sales by any person at, in, upon, through or from the Store and any Competing Business.

REVIEW

3.8 At any reasonable time after the delivery or failure to deliver to Landlord any statement referred to in Section 3.6.1, Landlord shall have the right by its authorized representatives to cause a complete audit to be made of Tenant's entire business affairs and records relating to the Store and any Competing Business and to examine such business affairs and records to confirm or establish the amount of the Percentage Rent for the period to which such statement relates. If the records maintained by Tenant for the period under review are not made available to Landlord or are inadequate to permit the determination of Gross Revenue for such period, Landlord may estimate the Gross Revenue for such period and such estimate shall be deemed to be the Gross Revenue for such period. The cost of each such audit and examination shall be borne by Landlord unless Tenant fails to deliver any statement or such audit and examination discloses a variation in excess of 3% of the amount of the statement with respect to which such examination is conducted in either of which events such cost shall be borne by Tenant. Any additional Percentage Rent found to be due and owing to Landlord as a result of an audit or examination shall be paid immediately.

TENANT TO PAY RENT

3.9 Tenant covenants to pay rent without any deduction, abatement or set off except as specified in this Section. All rent in arrears shall bear interest at the Interest Rate from the date on which the same became due until the date of payment. If Tenant shall fail to pay to Landlord any rent when due hereunder or if any cheque tendered by Tenant for payment of rent is returned due to insufficient funds, Tenant, in addition to the interest charge payable under the preceding sentence, shall pay to Landlord upon demand as further rent due, a late payment charge to cover the extra administrative and collection expenses of Landlord in the amount of \$100.00 for each and every day or partial day that any such rent is not fully paid. Such charge is a liquidated sum which the parties specifically agree represents the minimum amount of damages which the Landlord shall be deemed to have suffered on account of Landlord's extra administrative and collection expenses resulting from the Tenant's failure to pay rent when due and is without prejudice to the Landlord's right to claim and prove greater damages or to avail itself of any other rights or remedies under this lease as a result of such breach. In the event of the occurrence of any injury to the Project or the Store which renders the Store unusable in whole or in part, then Basic Rent and Additional Rent shall abate, but only for the period and to the extent that proceeds of rental insurance for the Store are actually received by Landlord. Except as otherwise expressly provided in the preceding sentence or by reason of a decision by Landlord or Tenant to terminate this lease pursuant to Section 7.1, damage to or destruction of all or any portion of the Store or the Project shall not terminate this lease nor entitle Tenant to surrender the Store, nor in any way affect Tenant's obligation to pay rent.

EXACT AREA OF STORE

3.10 The Gross Leaseable Area of the Store shall be determined by Landlord as of the Commencement Date and from time to time as the area of the Store is changed, and if the Gross Leaseable Area so determined varies from the area set out in key data item 3, Basic Rent shall be adjusted accordingly, and Additional Rent, where applicable, shall be adjusted accordingly, each as of the Commencement Date or the date of a change in area as appropriate, and such area shall, upon delivery of the certificate setting out such area, be the Gross Leaseable Area of the Store.

ALLOCATIONS

3.11 Where any amount, cost or expense is to be determined, allocated, apportioned or attributed under any provision of this lease, Landlord shall do so and shall act reasonably in determining and applying criteria which are relevant to doing so and Landlord may retain engineering, accounting, legal and other professional consultants to assist and advise in doing so. If the Project contains a combination of office, retail, residential or other commercial use components then Landlord may if it thinks it is appropriate to do so allocate Operating Costs between the various components depending upon Landlord's determination of the amounts attributable to each component.

PAYMENT

3.12 All rent shall be paid by Tenant to the Manager at the office of Landlord in the Project or to such other person or at such other place in Canada as Landlord or the Manager may designate in writing from time to time, without any prior demand therefor unless otherwise expressly provided in this lease.

LANDLORD'S OPTION

3.13 Notwithstanding anything in this Lease contained to the contrary, if for any 2 consecutive lease years occurring after the first lease year no Percentage Rent shall have been paid under this lease, then Landlord, may, at its option, in addition to any of its other rights or remedies, terminate this lease upon giving Tenant a termination notice specifying a termination date not less than 30 days nor more than 180 days after the termination notice is given. If this lease is so terminated, Tenant shall surrender the Store and deliver up vacant possession on the stipulated termination date.

FINANCIAL REPORTING

3.14 As a material inducement to Landlord's execution of the lease, Tenant covenants and agrees to keep and maintain adequate books and records of account of its entire business affairs and information in accordance with generally accepted accounting principles, consistently applied, or in accordance with other methods acceptable to Landlord. Tenant shall furnish to Landlord upon request annual financial statements and its most recent quarterly statements, including a balance sheet and profit and loss statement of Tenant and of any guarantor or indemnifier of the lease, certified to be accurate and complete by the most senior officer of Tenant and the guarantor or indemnifier as to the applicable statement, and, such annual statements, if required by Landlord, shall be audited financial statements prepared and certified by an independent chartered accountant acceptable to Landlord. All annual statements required by Landlord shall be delivered to Landlord within 60 days after the close of each fiscal year of Tenant and guarantor or indemnifier. Such information shall be received and maintained by Landlord in confidence except as required to be disclosed by law or in connection with enforcement of the lease.

SECURITY DEPOSIT

3.15 Tenant shall pay to Landlord, on demand, the Security Deposit, to be held, without interest, as security (without prejudice to or limitation of Landlord's other rights and remedies) for the observance and performance of Tenant's obligations under this lease. If Tenant defaults in the performance of any of the terms, covenants, conditions and provisions of this lease as and when the same are due to be performed by Tenant, then Landlord, at its option, may appropriate and apply all or any part of the Security Deposit to any rent due or on account of any losses or damages sustained by Landlord as a result of such default. Upon demand by Landlord following any such appropriation, Tenant shall pay to the Landlord an amount sufficient to restore the total original amount of the Security Deposit. If Tenant complies with all of the terms, covenants, conditions and provisions under this lease, the Security Deposit

shall be returned to Tenant without interest within 60 days after the expiry or earlier termination of the Term. In the event of a sale, transfer, or assignment of this lease by Landlord, Landlord may transfer such security deposit or so much thereof as shall then remain, to the purchaser, transferee or assignee and thereupon Landlord shall be released and discharged from any further liability in connection with such security deposit. Tenant shall not assign or encumber its interest in the security deposit, and Landlord shall not be bound by any attempted assignment or encumbrance of the security deposit, except in the case of any permitted Transfer of the lease, in which case Tenant's interest in the security deposit shall be deemed to have been assigned to such permitted transferees as of the date of such Transfer.

LIMITATION

3.16 In addition to and without limiting the effect of Section 12.3, neither Landlord nor Tenant may claim a re-adjustment or re-calculation in respect of any statement of, or, demand for payment of any item of Additional Rent for any reason whatsoever except by notice delivered to the other party within twenty-four months after the date of delivery of the statement or demand.

PART 4

MARKETING

INITIAL MARKETING CONTRIBUTION

4.1 Tenant shall pay to Landlord, upon being invoiced, the amount set out in key data item 14.1 as an initial marketing contribution. This amount shall be used by the Landlord for marketing, public relations and other activities in connection with the promotion of the Project or a portion thereof and its opening for business as Landlord determines and Landlord may pay all or part of such charge to a Merchants' Association in discharge of this obligation to the extent of such payment. The Initial Marketing Contribution shall be paid no later than thirty (30) days prior to the planned opening of the expansion or redevelopment area of the Project.

MARKETING FUND

4.2 Tenant shall pay to Landlord in equal monthly instalments in advance in each Fiscal Period adopted by Landlord for the marketing of the Project the amount set out in key data item 14.2. The marketing fund contribution for each subsequent Fiscal Period shall be 105% of the contribution payable for the previous Fiscal Period. These amounts may be used by Landlord for promotion, marketing and customer service for the Project.

CUSTOMER SERVICE CONTRIBUTION

4.3 Tenant shall pay to Landlord in equal monthly instalments in advance in each Fiscal Period adopted by Landlord for customer service programs for the Project the amount set out in key data item 14.3. The customer service contribution for each subsequent Fiscal Period shall be 105% of the contribution payable for the previous Fiscal Period. These amounts may be used by the Landlord for customer service programs, advertising, public relations and the promotion of the Project.

MERCHANTS' ASSOCIATION

4.4 If formed and while in existence, Tenant shall become and remain a member in good standing of, participate in and support the activities of a merchants' association for the Project approved by Landlord and no other. Landlord may pay (or direct Tenant to pay) all or part of the marketing fund contribution to

the merchants' association in discharge of Landlord's obligation under Part 4 to the extent of such payment. Except for the payments required under Sections 4.1, 4.2 and 4.3, no further amount or any other financial support shall be payable by Tenant to the merchants' association unless otherwise agreed by the parties.

PART 5

TAXES AND UTILITIES

BUSINESS TAX

5.1 Tenant shall pay to the taxing authority having jurisdiction on or before the date when the same or the instalments for the same shall become due and payable, each Business Tax levied, assessed or charged to Tenant or in respect of the Store.

ALLOCATION OF REALTY TAXES TO STORE

5.2 There may be more than one Realty Tax for the Project, each such Realty Tax being separately assessed, charged or imposed upon or in respect of the Project. Subject to Section 5.3 and the last paragraph of this Section 5.2, each Realty Tax for the Project shall be allocated to the Store under either Section 5.2.1 or Section 5.2.2 as Landlord, from time to time, determines, such that:

.1 if there is a separate assessment or charge (or in lieu thereof, any information available to Landlord from which a separate assessment or charge may be determined by Landlord) for the Store, such Realty Tax for the Project may be allocated to the Store by Landlord on the basis of such separate assessment or charge; or

.2 Tenant's Share of such Realty Tax for the Project may be allocated to the Store by Landlord. For the purpose of this Section 5.2.2, if any rentable premises in the Project are vacant, any lower tax rate or other reduction in such Realty Tax due to such vacancy shall be deemed not to exist and such Realty Tax for the Project shall be adjusted to be the amount that would be applicable if the Project was fully occupied and the benefit of any lower tax rate or other reduction in such Realty Tax due to vacancies shall accrue solely to Landlord. Prior to calculating Tenant's Share of such Realty Tax for the Project, Landlord shall deduct from such Realty Tax, amounts payable for such Realty Tax pursuant to Landlord's leases with Major Tenants and contributions to such Realty Tax receivable by Landlord in respect of those parts of other rentable premises in the Project which have been excluded in the calculation of Tenant's Share.

If the Project is assessed or charged any amount which can reasonably be determined as attributable to the Leasehold Improvements, Tenant shall pay the amount by which any Realty Tax is increased by reason of such assessment or charge. If the Store is assessed or charged in whole or in part for the support of separate schools, Tenant shall also pay the amount by which any Realty Tax assessed or charged exceeds that which would have been payable for the support of public schools.

ALLOCATION OF REALTY TAXES TO COMMON FACILITIES

5.3 Landlord may allocate to the Common Facilities a portion of any Realty Tax for the Project and such allocated portion may include, without limitation, any amount of such Realty Tax related to assessments for portions of the Common Facilities identified in the assessments of Retail Premises, Major Stores and Free Standing Stores. Prior to calculating Tenant's Share of any Realty Tax allocated to the Common Facilities, Landlord shall add an administrative fee equal to 15% of such allocated portion and

shall then deduct from the resulting total, amounts payable for such allocated portion of such Realty Tax pursuant to Landlord's leases with Major Tenants, and contributions to such allocated portion of such Realty Tax receivable by Landlord in respect of those parts of other rentable premises in the Project which have been excluded in the calculation of Tenant's Share.

OTHER TAXES

5.4 Tenant shall pay upon demand, any goods and services, sales, business transfer, multi-stage sales, use, consumption, value-added or other similar taxes imposed by the government of Canada, or by any provincial or local government, upon Landlord or Tenant on or in respect of this lease, the payments made by Tenant hereunder or the goods and services provided by Landlord, including but not limited to the rental of the Store and provision of administrative services to Tenant or to others.

UTILITIES

5.5 All Utility Costs incurred with respect to the Store shall be paid by Tenant, whether such Utilities are provided by or through Landlord and charged to Tenant under Section 3.3.1 or are supplied directly to Tenant by the Utility provider and charged to Tenant under Section 3.3.9 or otherwise.

Tenant shall not be permitted to make separate arrangements and shall not enter into any such arrangements, nor enter into any competitive supply contract or similar arrangement for the supply of any Utility for the Store directly from any Utility supplier, retailer or distributor unless such arrangements receive Landlord's prior written approval.

Landlord shall be entitled from time to time to require that any particular Utility be provided for the Project and to Tenant and other Landlord designated Utility consumers in the Project, only by such supplier, distributor or retailer who has been designated and approved by Landlord. Landlord shall be entitled to make such arrangements for the supply of any Utility to the Project as Landlord considers to be in the best interest from time to time of the Project and the Utility consumers therein including Landlord. Landlord may from time to time negotiate modifications and revisions to its supply agreements with Utility providers and may enter into new arrangements for the supply of any particular Utility and Landlord may from time to time authorize Tenant and other Utility consumers in the Project to make direct arrangements with Utility suppliers for the provision and supply of any particular Utility to the Store. The presence or absence of any separate metering devices to record consumption of any Utility in relation to the Store shall not affect the foregoing agreement of the parties.

PART 6

OPERATION OF PROJECT

PROJECT

6.1 Landlord shall operate the Project during the Term to an appropriate standard having regard to the size, age, type and location of the Project. The Project shall at all times be under the exclusive control and management of Landlord.

LANDLORD'S ALTERATIONS

6.2 .1 Landlord may from time to time alter, expand, improve, diminish, maintain, operate, renovate, re-merchandise and supervise the Project including the Common Facilities, and may change the area, location and arrangement thereof and do and perform such other acts and things with respect thereto

as Landlord determines to be advisable. Landlord may also from time to time alter or expand the buildings in which the Store is contained, alter or construct other buildings or improvements in or about the Store and the Project and build adjoining the same and make additions or subtractions. Tenant acknowledges that the depiction of the Project on Schedule 5 does not constitute a representation, covenant or warranty of any kind by Landlord and Landlord reserves the right to change the size and dimensions of the buildings, the number and locations of buildings, the size, location and layout of Common Facilities including parking areas and Malls and to change the store dimensions, identities, types and tenancies. In the course of exercising its rights under this Section, Landlord may take such action with respect to the Store as it considers necessary, including but not limited to making structural or other alterations to the Store and making reductions in the Gross Leaseable Area of the Store.

6.2 .2 In addition to and without limiting the foregoing rights of Landlord under Section 6.2.1 and elsewhere in this lease, if at any time during the Term, Landlord requires possession of the Store in order to carry out or complete any alterations or other work in respect of the Project which impacts or affects the Store, then Landlord, on not less than 3 months notice to Tenant, may terminate this lease effective on the date specified in such termination notice. This lease shall terminate on such specified date and Tenant shall surrender the Store on such termination date and rent shall be apportioned to the termination date. Concurrently with the giving of its termination notice, Landlord shall offer to lease to Tenant other premises (the "Relocated Store") in the Project, for a term equal to the balance of the Term as of the stipulated termination date and otherwise upon the same terms and conditions in this lease as are applicable to the balance of the Term (including this Section 6.2 and including the annual Basic Rent (on a per square foot per annum basis) and, accordingly, the annual Basic Rent for the Relocated Store will be adjusted if the Gross Leaseable Area of the Relocated Store is different from the Gross Leaseable Area of the Store so that the same Basic Rent per square foot per annum will be payable for the Relocated Store as was payable for the Store. The Relocated Store shall be comparable in area to the Store. Landlord, at its cost, shall construct the Relocated Store to the then existing standard of the Store and, in doing so, may use any of the existing trade fixtures and Leasehold Improvements in the Store to the extent reasonable and practicable and the parties, acting in a commercially reasonable manner, shall cooperate so as to permit the Landlord to relocate any such items from the Store to the Relocated Store. Landlord shall pay to the Tenant the cost of moving Tenant's stock and equipment to the Relocated Store. The Relocated Store shall be available for occupancy by the Tenant (and the term of the lease for the Relocated Store shall commence) within a reasonable time, but not later than 6 months following the termination date. Except as expressly set out in this Section 6.2.2, Landlord shall not be responsible for any other costs, expenses or losses of Tenant in connection with such relocation, consequential or otherwise.

6.2 .3 If Tenant does not unconditionally accept Landlord's offer for the Relocated Store referred to in Section 6.2.2 within 15 days after it was given to Tenant, then Tenant shall be deemed to have rejected the Landlord's offer to lease the Relocated Store and, in lieu thereof, Landlord shall pay to Tenant on Tenant vacating on the termination date of this lease the Remaining Value and, except for such payment, Landlord shall have no other obligation to Tenant with respect to the termination of this lease. 'Remaining Value' means the value as of the termination date of the Tenant's Work and of all other Leasehold Improvements installed by Tenant in the Store calculated for each item on the basis of the initial cost thereof to Tenant and depreciated for the period which shall have elapsed between its installation and the termination date on the basis of an assumed rate of depreciation on a straight-line basis to zero over (i) the normal life thereof, or (ii) the unexpired portion of the Term as of the date of its installation or (iii) 10 years, whichever shall be the shortest period, less any residual or salvage value if Tenant shall be permitted or required to remove it, and less the amount of any encumbrance thereon.

USE OF COMMON FACILITIES

6.3 During the Retail Hours, Tenant shall have a non-exclusive right to use, in compliance with the Operating Standards and in common with all other persons entitled thereto, the part of the Common Facilities appropriate, intended and designated from time to time by Landlord for such use. Landlord has no obligation to open the parking areas or Malls or permit customer access to the Project at any time other than during the Retail Hours. Tenant's right of use shall not extend to parts of the Common Facilities from time to time allocated by Landlord for other uses, whether temporary or permanent, nor to parts inappropriate for such use, such as roofs, service rooms, structures and exterior areas and surfaces. Landlord may from time to time create rentable areas and erect kiosks or other merchandising facilities in any part of the Project in such locations as may be designated by Landlord on a temporary or permanent basis and which do not result in any material adverse interference with access to the Store. Landlord shall also be entitled to use or permit the use of any part of the Common Facilities for displays, special features and promotional, merchandising, entertainment and other activities if such uses do not result in any material adverse interference with access to the Store.

PUBLIC POLICIES

6.4 Landlord shall be deemed to have observed and performed the terms and conditions to be performed by Landlord under this lease, including those relating to the provision of Utilities, if in so doing it acts in accordance with a directive, policy or request of a governmental or quasi-governmental authority acting in the fields of energy, conservation, waste management and disposal, security or other area of public interest.

PART 7

REPAIRS AND MAINTENANCE

MAJOR DAMAGE

7.1 If 50% or more of the Gross Leaseable Area of rentable premises in the Project is destroyed or damaged by any cause so as not to be capable of being used for its intended purposes and Landlord elects, by written notice to Tenant given within 120 days after the occurrence of such destruction or damage, not to repair, then within 60 days after such notice is given (notwithstanding that the Store may be unaffected) either Landlord or Tenant may terminate this lease upon not less than 30 days nor more than 60 days written notice to the other. Except as provided in this Section 7.1 and subject to Section 3.9, destruction or damage to the Store or the Project by any cause shall not frustrate or terminate this lease nor affect the covenants under this lease.

LANDLORD REPAIRS

7.2 Landlord shall, in the same manner and to the same extent as would a prudent owner of the Project, keep the Common Facilities clean and in good repair, order and condition. The obligations of Landlord in this Section and Section 6.1 are subject to an exception for any damage or injury which is not covered by insurance which Landlord maintains or is required to maintain under this lease, or the cost of repair or restoration of which exceeds the proceeds of such insurance actually received by Landlord and for this purpose deductible amounts shall be deemed received.

TENANT REPAIRS

7.3 Tenant is responsible to keep and maintain the Store and Tenant Property in first class appearance and in good repair, order and condition and in a clean and tidy state at all times to the same extent as would a prudent owner. Landlord may supervise repairs and maintenance to the Store. Tenant shall promptly notify Landlord of any defect or deficiency in, malfunction of, or damage to, the Store or any equipment or Utilities therein of which Tenant becomes aware at any time during the Term.

Tenant understands and agrees that it is solely responsible for the cleaning and maintenance of the Store, including but not limited to grease traps, ducting, and canopy, on a regular basis to ensure that each part of the Store meets all health and sanitation requirements, and to ensure that each part of the Store is clean and presentable during the hours of operation. Landlord reserves the right from time to time to enter the Store to determine if the required cleaning and maintenance program is being fully carried out by Tenant. If Landlord determines that Tenant is not cleaning and maintaining each part of the Store to a standard consistent with a first class enclosed mall shopping centre, Landlord shall have the right to have such work carried out immediately and all charges incurred by Landlord in doing so will be paid by Tenant as additional rent on demand.

Tenant has no authority over and shall not interfere with the cleaning or supervising staff employed by Landlord in the fast food service areas. Landlord will be responsible for cleaning, maintenance and supervision of the fast food service seating and common areas and at all times such services will be carried out in a manner consistent with the operation of a first class enclosed mall shopping centre.

STORE HVAC

7.4 Tenant is responsible to regulate and operate all HVAC Facilities exclusively serving the Store in order to maintain reasonable conditions of temperature and humidity within the Store and to avoid appropriation of HVAC from the Common Facilities. Landlord may enter the Store at any time in order to inspect, control or regulate the operation of any HVAC Facilities. Landlord may, upon written notice to Tenant and until further written notice, elect to perform on Tenant's behalf Tenant's obligations to operate, repair, renovate, replace, alter or maintain any HVAC Facilities exclusively serving the Store. The costs incurred by Landlord in so doing shall form part of Tenant's Service Cost.

COMPLIANCE WITH CODES

7.5 Tenant is responsible at all times to comply with and to keep the Store, the Leasehold Improvements and all Tenant Property in compliance and in accordance with the requirements of all applicable laws, directions, rules, regulations or codes of Landlord and every Authority having jurisdiction and of any insurer by which Landlord or Tenant is insured and affecting the construction, operation, condition, maintenance, use or occupation of the Store or the making of any repair or alteration, including, without limitation, strict compliance with each Environmental Law. Tenant shall not allow or cause any act or omission to occur in or about the Store or the Project which may result in an illegal use or causes any breach of or non-compliance with such laws, directions, rules, regulations and codes. From time to time when Landlord determines it to be necessary Tenant shall provide to Landlord a Hazardous Substance Audit. If, due to Tenant's acts, omissions or use of the Store, repairs, remediation, alterations or improvements to the Store or the Project are necessary to comply with any of the foregoing or with the requirements of insurance carriers, Tenant will pay the entire cost thereof.

ENTRY BY LANDLORD

7.6 Landlord and those authorized on its behalf shall on reasonable notice be entitled to enter the Store for the purpose of making any repair, alteration, improvement or renovation required or permitted to be made by Landlord, for the purpose of making any repair which Tenant fails to make when required, for the purpose of calculating the area of the Store and obtaining information for plans and for any other purpose permitted or contemplated by this lease. Landlord in entering the Store or doing any work in the Store shall minimize interference with the conduct of the business of Tenant to the extent reasonably possible to do so in the circumstances.

MAINTENANCE OF SERVICES

7.7 Landlord shall have the right to use, install, maintain, repair and replace conduits, columns and pipes, wires, ducts and other installations in, under or through the Store and the walls, ceilings and floors of the building containing the Store for or in connection with Landlord carrying out repairs, alterations, improvements or renovations to the Project and for the supply of any services, support or Utilities to the Store or to any part of the Project and the right to do such work in the Store as may be necessary in connection with the foregoing right, or to preserve, protect or make repairs, alterations, improvements or renovations to the Store or the Project and for such purposes shall be entitled to enter or authorize any other person to enter the Store.

MAINTENANCE AGREEMENTS

7.8 Tenant shall enter into maintenance contracts as necessary and prudent to ensure the proper maintenance and repair of the electrical facilities, the plumbing and drainage systems, any mechanical systems and the HVAC Facilities exclusively serving the Store and Tenant shall promptly deliver copies of all maintenance agreements and service records to Landlord as they are entered into and updated respectively, from time to time. The maintenance agreements and service records shall include, but not be limited to those relating to the HVAC Facilities, electrical facilities and plumbing and drainage systems.

PART 8***INSURANCE******LANDLORD'S INSURANCE***

8.1 Landlord shall take out and maintain with respect to the Project:

- .1 Commercial general liability insurance against personal and bodily injury, including death, and property damage.
- .2 Insurance with coverage against such perils as Landlord determines to be necessary and commercially reasonable, which may include fire and extended coverage endorsement perils selected by Landlord and, against water damage however caused and against loss by such other insurable hazards as Landlord determines to be appropriate in the circumstances.
- .3 Boiler and machinery insurance.

- .4 Loss of rental income insurance, including loss of all rentals receivable from tenants of rentable premises in the Project, including basic rentals, percentage rentals and all other amounts payable thereunder.

Landlord, acting reasonably, shall determine all policy terms including deductibles and may take out and maintain other insurance as it considers advisable, but Landlord shall not be required to take out or maintain any insurance with respect to any loss, injury or damage required to be insured against by Tenant or with respect to Tenant Property. All proceeds of Landlord's insurance shall belong to Landlord although some portions are to be applied to reduce Operating Cost as provided in this lease.

TENANT'S INSURANCE

8.2 Tenant shall take out and maintain:

.1 Commercial general liability and property damage insurance, including personal liability, contractual liability, tenants' legal liability, liability with respect to Environmental Claims, non-owned automobile liability and owners' and contractors' protective insurance coverage with respect to the Store and the Common Facilities, which coverage shall include the business operations conducted by Tenant and any other person in the Store and all those for whom Tenant is responsible including those performing work for or on behalf of Tenant. Such policies shall be written on a comprehensive basis with coverage for any one occurrence or claim of not less than \$5,000,000.00 or such higher limits as Landlord or the Mortgagee may require from time to time;

.2 Insurance with coverage against the perils of fire and standard extended coverage endorsement perils, against water damage however caused and against loss by such other insurable hazards as prudent tenants would insure fully covering the Store (including all Leasehold Improvements), all Tenant Property and any other property owned by Tenant or for which it is legally liable and which is located within the Project.

.3 Business interruption insurance including loss of profits.

.4 Such other forms of insurance, including boiler and machinery insurance, as Tenant or Landlord or any mortgagee of the Project, acting reasonably, requires from time to time in form, in amounts and for insurance risks against which a prudent tenant would insure.

Insurance to be effected by Tenant shall be in amounts and upon terms which Landlord shall from time to time, acting reasonably, determine to be sufficient. Such insurance shall provide that Landlord is to be immediately notified in writing by the insurer of any threatened cancellation. Such insurance shall include Landlord and the Manager and any others designated by Landlord (including any beneficial owner or other person having an insurable interest) as additional named insureds and contain cross-liability and severability of interest provisions, as applicable. Insurance under Section 8.2.2 shall be on a full replacement cost basis without deduction for depreciation and for amounts sufficient to prevent Tenant from being a co-insurer and shall be subject only to deductibles and exclusions as Landlord, acting reasonably, may approve. Tenant's insurance shall be primary and shall not call into contribution any other insurance available to Landlord. Tenant shall provide Landlord with certificates or other proofs to establish Tenant's insurance coverage in effect from time to time. If Tenant fails to insure, to file proof thereof, or if Landlord receives notice of any cancellation of Tenant's insurance, Landlord may, upon not less than 24 hours' written notice to Tenant, effect such insurance and Tenant shall pay to Landlord on demand the amount of any premiums paid therefore. If this lease expires or is terminated at a time when the Store or Leasehold Improvements are damaged or destroyed as a result of a peril required to be insured against by Tenant, Tenant shall pay or assign to Landlord free of any encumbrance, an amount

equal to the greater of the actual proceeds or the amount of insurance required to be maintained by Tenant with respect to such damage or destruction of the Store and Leasehold Improvements but Tenant may retain the amount of proceeds of insurance referable to Tenant Property.

MUTUAL RELEASE

8.3 .1 Subject to Sections 8.3.2 and 8.3.3, each of Landlord and Tenant hereby releases the other and waives all claims against the other and those for whom the other is in law responsible with respect to occurrences insured against or required to be insured against by the releasing party, whether any such claims arise as a result of the negligence or otherwise of the other or those for whom such other is in law responsible.

.2 Such release and waiver shall be effective only to the extent of proceeds of insurance received by the releasing party and proceeds which would have been received if the releasing party obtained all insurance required to be obtained by it under this lease and for this purpose deductible amounts shall be deemed to be proceeds of insurance received.

.3 Notwithstanding anything to the contrary in this Section 8.3, Landlord and Tenant shall each be liable to any third person (being any person other than Landlord or Tenant) to the extent of their respective fault or negligence and each shall be entitled to full indemnity and contribution from the other to the extent of the other's fault or negligence.

.4 For the purposes of Sections 8.3 and 8.7 only, Landlord shall include the Manager.

MUTUAL INDEMNITY

8.4 To the extent not released under Section 8.3, each party shall indemnify and save harmless the other from all liabilities, damages, losses or expenses growing out of:

- .1 any breach by the indemnifying party of any covenant or condition in this lease,
- .2 any contract, lien or mortgage on the Project or the Store and any loss, cost or expense arising from or occasioned by the act, default or negligence of the indemnifying party, its officers, agents, servants, employees, or licensees, and
- .3 any obligation of the indemnifying party arising or outstanding upon the expiration or earlier termination of this lease.

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

INCREASE IN INSURANCE PREMIUMS

8.5 Tenant shall not do or refrain from doing, nor permit anything to be done, in the Store or at any other place in the Project, which would impair or invalidate any policy of insurance on the Store or the Project or any part thereof or which would result in the premium for any such policy being increased. If Tenant is responsible for any such impairment, invalidation or increase, it will promptly after the receipt of notice from Landlord together with reasonable evidence specifying the condition giving rise to such situation, take such steps as are necessary to remedy the situation and shall pay the full amount of any such increase. In the event of the cancellation or a threatened cancellation of any such policy, Landlord

shall have the right to immediately enter upon the Store and take reasonable steps to remedy the situation and recover the cost thereof from Tenant.

CANCELLATION OF INSURANCE

8.6 If the situation causing or threatening cancellation of insurance referred to in Section 8.5 cannot be remedied in time to prevent the non-renewal or cancellation of insurance then Landlord shall be entitled to terminate this lease effective upon written notice unless Tenant arranges replacement coverage which is satisfactory to Landlord, acting reasonably.

EXTENSION OF RIGHTS AND REMEDIES

8.7 Every right, exemption from liability, release, defence, immunity and waiver of whatsoever nature applicable to Landlord under this lease shall also be available and shall extend to benefit and to protect Manager and all other companies owned, operated or controlled by or affiliated with Landlord and Manager and to protect their respective officers, directors, managers, consultants and employees and for such purposes each of Landlord and Manager is or shall be deemed to be acting as agent or trustee on behalf of and for the benefit of such companies and persons.

PART 9

DEFAULTS

LANDLORD MAY PERFORM TENANT'S COVENANTS

9.1 If Tenant is in default under this lease (other than under Section 2.2.5 or under its covenant to pay rent), and such default continues for 10 days or such longer period as may be reasonably required in the circumstances to cure such default after notice by Landlord to Tenant specifying reasonable details of the default and requiring it to be remedied, or without notice in an emergency, Landlord may remedy such default, without prejudice to or limitation of any other right or remedy it may have with respect to such default. The cost to Landlord of doing so together with interest thereon at the Interest Rate from the date of default shall be added to the rent due on the next succeeding date on which Basic Rent is payable and such amount shall thereupon become due and payable as rent in addition to the regular payment of Basic Rent then due.

RE-ENTRY

9.2 It is a condition of leasing the Store to Tenant that when:

.1 Tenant is in default in the payment of any rent, and such default continues for a period of 5 days after notice from Landlord,

.2 Tenant has not discharged or vacated any lien referred to in Section 2.5 within 48 hours after notice from Landlord requiring Tenant to do so,

.3 Tenant is in default under this lease (other than under Section 2.2.5 or its covenant to pay rent or with respect to the discharge of any lien) and such default continues for 10 days or such longer period as may be reasonably required in the circumstances to cure such default after notice by Landlord to Tenant specifying reasonable details of the default and requiring it to be remedied,

.4 an execution issues against any property of Tenant or any guarantor or indemnifier of this Lease and remains outstanding for more than 10 days, or any receiver of any property of Tenant or any guarantor or indemnifier of this Lease is appointed, or Tenant or any guarantor or indemnifier of this Lease becomes insolvent or makes application for relief from creditors under the provisions of any statute now or hereafter in force or, under the Bankruptcy and Insolvency Act, files a notice of intention or a proposal, makes an assignment in bankruptcy, or has a receiving order made against it, or otherwise becomes bankrupt or insolvent, or any action, steps or proceedings whatever, are taken with a view to the winding up, dissolution or liquidation of Tenant or any guarantor or indemnifier of this Lease, or with a view to the restructuring or compromise of any debt or other obligation of Tenant or any guarantor or indemnifier of this Lease;

.5 any insurance policy is cancelled or not renewed by an insurer by reason of the use or occupation of the Store,

.6 Tenant makes any bulk sale or removes any substantial part of Tenant Property from the Store other than in the course of normal sales to customers or pursuant to a permitted Transfer or when the same are no longer required for the conduct of Tenant's business and other Tenant Property of equal or greater value and utility is contemporaneously substituted therefor,

.7 Tenant or any person acting on behalf of Tenant submits any report or statement required to be furnished to Landlord under this lease which, for any reason other than inadvertent clerical error, is false or misleading, or,

.8 the Store has been abandoned, or has become vacant or has remained unoccupied for a period of 5 consecutive days without the written consent of Landlord or the Store has been used or occupied by any other person or persons other than Tenant or any person permitted by Section 2.6 hereof; or

.9 Tenant or any Related Corporation is in default of any of its covenants, obligations or agreements under any Other Lease and such default shall have continued for such period of time that the Landlord's remedies under such Other Lease have become exercisable thereunder;

.10 a receiver, interim receiver, trustee, liquidator or a receiver and manager is appointed for all or part of the property of Tenant or Tenant's business or of a guarantor's, Indemnifier's, occupant's, licensee's, concessionaire's or franchisee's property or business;

.11 Tenant is in breach of any Environmental Law or fails to provide to Landlord a Hazardous Substance Audit when required, or

.12 re-entry is permitted under any other provision of this lease or in law,

then and in any such event the then current month's rent together with the rent for the 3 months next ensuing shall immediately become due and payable, and at the option of Landlord, the Term shall become forfeited and void, and Landlord may without notice or any form of legal process whatsoever forthwith re-enter the Store, anything contained in any statute or law to the contrary notwithstanding, and may expel all persons and remove all property from the Store and such property may be removed and sold or disposed of by Landlord as it deems advisable or may be stored in a public warehouse or elsewhere at the cost and for the account of Tenant without Landlord being considered guilty of trespass or conversion or becoming liable for any loss or damage which may be occasioned thereby, provided, however, that such forfeiture shall be wholly without prejudice to the right of Landlord to recover arrears of rent and damages for any antecedent default by Tenant of its covenants under this lease. Should Landlord at any

time terminate this lease by reason of any such event, then, in addition to any other remedies it may have, it may recover from Tenant all damages it may incur as a result of such termination.

Notwithstanding any termination of this lease, Landlord shall be entitled to receive rent up to the time of termination plus accelerated rent as herein provided and damages including but not limited to:

- .1 damages for the loss of rent suffered by reason of this lease having been prematurely terminated;
- .2 the costs of reclaiming and repairing the Store; and
- .3 solicitor's fees and disbursements on a solicitor and his own client basis.

INJUNCTIVE RELIEF

9.3 To the intent that such acknowledgement may be pleaded as an estoppel to any defence which may be raised by Tenant with respect thereto, Tenant acknowledges that:

- .1 the provisions of Sections 2.2.2, 2.2.4 and 2.2.5 are reasonable having regard to the nature of the business of Tenant and Landlord,
- .2 notwithstanding any other provisions of this lease or any statute or law to the contrary, damages are not an adequate remedy for Tenant's breach of its covenants set out in Sections 2.2.2, 2.2.4 and 2.2.5 and such damages would be incapable of calculation, and
- .3 the only effective method of enforcing the provisions of Sections 2.2.2, 2.2.4 and 2.2.5 is the remedy of an injunction and Landlord shall be entitled to such remedy.

REMEDIES GENERALLY

9.4 Mention in this lease of any particular right, remedy or remedies of Landlord in respect of any default by Tenant shall not preclude Landlord from, and Landlord shall have, any and all other rights and remedies in respect thereof, whether available at law or in equity or by statute or expressly provided for herein. No right or remedy shall be exclusive or dependent upon any other right or remedy, but Landlord may from time to time exercise any one or more of such rights and remedies generally or in combination, all such rights and remedies being cumulative and not alternatives.

PART 10

STANDARD PROVISIONS

COVENANTS OF LANDLORD

10.1 Landlord covenants with Tenant for quiet enjoyment, and that Landlord shall perform and observe all covenants in this lease required to be performed and observed by it. If Landlord is in default, Tenant shall not have or exercise any right or remedy with respect thereto unless such default continues for 10 days or such longer period as may be reasonably required in the circumstances to cure such default after notice by Tenant to Landlord specifying reasonable details of the default and requiring it to be remedied.

COVENANTS OF TENANT

10.2 Tenant covenants to pay rent when due under this lease and to perform and observe all covenants in this lease required to be performed and observed by it.

SURRENDER OF STORE

10.3 At the end of the Term, Tenant shall surrender the Store and all Leasehold Improvements not permitted to be removed, to Landlord, all in good and substantial repair and condition in accordance with Tenant's repair obligations in this lease. If at the expiration of the Term by elapse of time Tenant shall hold over for any reason, the tenancy of Tenant thereafter shall be from month to month at a monthly rental equal to twice the monthly amount of all rent payable immediately prior to the expiration of the Term and shall otherwise be subject to all covenants provided for in this lease except as to duration of the Term.

REMOVAL OF FIXTURES

10.4 Unless requested to do so by Landlord, Tenant shall not remove any Leasehold Improvements whether at the expiration or sooner termination of the Term. If so requested by Landlord, Tenant shall remove such Leasehold Improvements as are designated by Landlord and Tenant Property not later than the expiration or sooner termination of the Term. If not in default Tenant may, on the expiration or sooner termination of the Term, remove from the Store all Tenant Property. Tenant shall repair any damage to the Store and the Project which may be caused by installation or removal of Tenant Property or Leasehold Improvements and shall leave the Store in a neat and tidy condition. On the expiration or sooner termination of the Term, all Tenant Property, and all fixtures, furnishings or equipment affixed in any manner to the Store not so removed or not entitled to be removed by Tenant shall, at Landlord's election either, be deemed to have become the property of Landlord without payment or compensation of any kind, or, may be removed and disposed of by Landlord at Tenant's cost and without liability of any kind to Landlord. Leasehold Improvements shall become the property of Landlord upon installation.

EFFECT OF TERMINATION

10.5 The expiry or termination of this lease whether by elapse of time or by the exercise of any right of either Landlord or Tenant pursuant to this lease shall be without prejudice to the right of Landlord to recover arrears of rent and the right of each party to recover damages for an antecedent default by the other.

OTHER LEASE

10.6 It is a condition of leasing the Store to Tenant that if:

- 1 Tenant or a Related Corporation is a tenant under any Other Lease, and
- 2 such Other Lease is terminated for default or is terminated, surrendered, disclaimed or repudiated pursuant to the order of any court or pursuant to any statute or rule of law for the protection or benefit of bankrupt or insolvent persons,

then and in any such event Landlord shall have a right to terminate this lease by giving a termination notice to Tenant within 90 days after the later of:

.3 the date any such termination, surrender, disclaimer or repudiation of the Other Lease becomes effective; and

.4 if applicable, the date any statutory or court ordered stay of Landlord's rights and remedies ceases to remain in effect.

The termination notice shall specify the date of termination of this lease which shall be at least 30 days and not more than 120 days after such termination notice is given.

PART 11

LANDLORD'S TITLE

TRANSFERS

11.1 Landlord, at any time and from time to time, may sell, transfer, lease, assign or otherwise dispose of the whole or any part of its interest in the Project or in the Store and, at any time and from time to time, may enter into any mortgage of the whole or any part of its interest in the Project or in the Store. If the party acquiring such interest agrees to assume, and so long as it holds such interest, to perform the covenants of Landlord under this lease, Landlord shall thereupon be released from all of its covenants under this lease.

MORTGAGES

11.2 If at any time during the currency of a mortgage of the interest of Landlord in the Store or Project, notice of which has been given to Tenant, Landlord shall be in default under this lease and such default would give rise to a right in Tenant to terminate this lease, Tenant, before becoming entitled as against the holder of such mortgage to exercise any right to terminate this lease, shall give to such mortgagee notice in writing of such default. Such mortgagee shall have 60 days after the giving of such notice, or such longer period as may be reasonable in the circumstances, within which to remedy such default, and if such default is remedied within such time Tenant shall not by reason thereof terminate this lease. The rights and privileges granted to any such mortgagee by virtue of this Section shall not be deemed to alter, affect or prejudice any of the rights and remedies available to Tenant as against Landlord. Any notice to be given to such mortgagee shall be deemed to have been properly given if mailed by registered mail to its most recent address of which Tenant has notice.

PRIORITY OF LEASE

11.3 This lease and all rights of Tenant under this lease are subject and subordinate to all mortgages now or hereafter made by Landlord, except that the holder of any such mortgage may subordinate and postpone such mortgage to this lease at any time by an instrument in writing to such effect registered against the title to the Project without any further consent or agreement of Tenant. Tenant if so requested, shall attorn to such mortgagee when such mortgagee takes possession of the Project and to any purchaser of the Project and shall recognize such mortgagee or purchaser as Landlord under this lease.

PART 12

GENERAL MATTERS

NOTICES

12.1 Any notice provided for in this lease shall be addressed to Landlord, Tenant or Indemnifier at such party's address specified in Appendix 1, shall be in writing and signed by the party giving the notice and shall be effectively given by registered mail or by facsimile or by delivery of such notice to such address, or, as an alternative in the case of notice to Tenant, by delivery of such notice to the Store. Such notice, if delivered or sent by facsimile, shall be conclusively deemed to have been given and received at the time of such delivery or the time of confirmed transmission by facsimile, in either case, unless given on a non-business day, or after 5:00 p.m. in which event such notice shall be deemed to have been given and received on the next business day. If in this lease two or more persons are named as Tenant, such notice may be given to any one of such persons and shall constitute notice to all. Each of Landlord, Tenant and Indemnifier may, from time to time by notice to the other, change its address for the purpose of any subsequent notice. Any notice to be given by Landlord may be signed and given by Landlord or by Manager or by an authorized representative of either.

ESTOPPEL CERTIFICATES

12.2 Each party at any time and from time to time within 10 days after notice from the other shall execute and deliver to the other and to any party designated by the other, a statement in writing certifying that this lease is unmodified and in full force and effect (or, if modified, stating the modifications and that the same is in full force and effect as modified), the amount of the rent then being paid under this lease, the dates to which the same, and the other sums provided in this lease to be paid by Tenant, have been paid, the Commencement Date and duration of the Term and stating whether or not there is any existing default of which it has notice, and the particulars and amount of insurance policies on the Store and any such other information as may be reasonably requested. Any statement delivered pursuant to the provisions of this Section shall be binding upon the party giving the statement.

OTHER CERTIFICATES

12.3 Each party agrees that the following certificates shall be conclusive and binding in respect of any question of fact or opinion with respect to the matters stipulated:

1. A certificate procured by Landlord from an architect, professional engineer, land surveyor or other qualified individual as to: Gross Leaseable Areas of premises including the Store; any question of fact concerning the completion of any construction or other work, either by Landlord or Tenant; the extent to which the completion of any work or obligation has been delayed by Force Majeure; whether the Project or any part thereof including the Store is being kept in good repair; the determination or allocation of any costs forming part of Additional Rent; the cause of any destruction or damage and the extent and duration for which rentable premises in the Project are incapable of being used for their intended purposes by reason of any destruction or damage.

2. A certificate procured by Landlord from a licensed public accountant, who may be Landlord's auditor, as to any question of fact or opinion concerning the computation, determination or allocation of Gross Revenue, Operating Cost, Tenant's Service Cost or Additional Rent or the proper amount of any payment to Landlord or Tenant under this lease.

Any certificate procured by Landlord shall be prepared using generally accepted practices and procedures appropriate to such certificate.

FORCE MAJEURE

12.4 Whenever and to the extent that either party shall be unable to fulfil, or shall be delayed or restricted in the fulfilment of any obligation (other than the payment of any money) under any provision of this lease, by reason of Force Majeure, such party shall, so long and to the extent that any such impediment exists, be relieved from the fulfilment of such obligation and the other party shall not be entitled to compensation for any loss, damage, inconvenience, nuisance or discomfort thereby occasioned.

DEMOLITION OR RENOVATION

12.5 If any Authority issues or makes an order, law, regulation or a judgment that would, in Landlord's opinion, necessitate the demolition or substantial renovation of the Project, any part thereof, or the Store, Landlord shall have the right to terminate this lease by giving a termination notice to Tenant which specifies a date of termination of this lease which is at least 30 days after such termination notice is given. If Landlord or its successors, transferees or those having the right, choose to sell, demolish, or substantially renovate the Project or any part thereof, in close proximity to the Store, Landlord shall have the right to terminate this lease by giving a termination notice to Tenant which specifies a date of termination of this lease which is at least 3 months after such termination notice is given.

DELAY IN FIXTURING

12.6 If for any reason the commencement of the Fixturing Period is delayed beyond the date stated in key data item 7, then the validity of this lease and the covenants and obligations of the parties and the terms and conditions of this lease shall not be affected in any way, nor shall such delay be construed in any way to extend the Term. If the Fixturing Period has not commenced by the date which is 1 year after the date stated in key data item 7 either party may at any time thereafter terminate this lease effective on written notice to the other, and in such event this lease shall thereafter be null and void and neither party shall have any liability to the other.

INCONVENIENCE AND CONSEQUENTIAL LOSS

12.7 Tenant acknowledges and agrees that Landlord's exercise of Landlord's rights and remedies under this lease including, without limitation, the rights and remedies under Part 6 of this lease may adversely affect Tenant's business, its Gross Revenue and may cause Tenant to experience other consequential losses and hardship. Notwithstanding that, Tenant agrees that Landlord has reserved and is entitled to fully exercise its rights and remedies under this lease and Tenant shall not be entitled to any remedy, compensation, or reduction in rent payable under this lease for any interruption, inconvenience, discomfort, loss or damage attributable to enforcement of Landlord's remedies or to repair, renovation, alteration, rebuilding, demolition, reduction or expansion of any portion of the Project (including the Common Facilities) or any construction or other work in or about the Project caused by, carried out or otherwise authorized or permitted by Landlord.

LEGAL RELATIONSHIP

12.8 The provision in this lease for the payment of Percentage Rent is a reservation of rent only, and neither such provision nor any other provision of this lease is intended to create a joint venture, partnership, agency or any other similar relationship between the parties, such relationship being that of landlord and tenant only.

WAIVERS

12.9 No waiver by either party of any breach or non-compliance by the other party under any provision of this lease and no waiver by either party of any term or condition of this lease shall be a waiver of any continuing or subsequent breach or failure or of any other provision, term or condition, nor shall any forbearance or failure to seek a remedy for any breach or failure be a waiver of any rights and remedies with respect to such or any subsequent breach or failure.

SEVERABILITY

12.10 If any provision of this lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this lease or the application of such provision to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each provision of this lease shall be separately valid and enforceable to the fullest extent permitted by law.

INTERPRETATION

12.11 This lease shall be construed in accordance with the laws of the Province in which the Project is situate and the parties attorn to the exclusive jurisdiction of the courts of such Province to deal with all actions in respect of this lease. The Section headings of this lease have been inserted for convenience of reference only and they shall not be referred to in the interpretation of this lease. This lease shall be read with all changes of gender and number required by the context. Time shall be of the essence of this lease and each of the provisions hereof.

COVENANTS

12.12 If two or more persons are Tenant, the liability of each is joint and several. If Tenant is a partnership or other business association, the members of which are subject to personal liability, the liability of each member is joint and several.

WHOLE AGREEMENT

12.13 This lease contains the whole agreement between the parties with respect to the subject matter of this lease. There is no promise, inducement, representation, warranty, collateral agreement or condition affecting the Project, the Store, the business to be conducted by Tenant, or this lease or supported by this lease other than as expressed in this lease. All representations and inducements made by either party or their representatives which are relied upon by the other party are contained herein and each party disclaims reliance on any other representations or inducements.

AMENDMENTS

12.14 This lease may not be amended or altered except by instrument in writing signed by Landlord and Tenant.

NO OFFER

12.15 The submission by Landlord to Tenant of this lease shall have no binding force or effect, shall not constitute an option for leasing the Store, nor confer any rights or impose any obligations upon either party until the execution and delivery of this lease by Tenant and Landlord.

REGISTRATION

12.16 Tenant shall not register this lease or any part thereof but may register a notice or caveat in respect thereof, which notice or caveat shall disclose only the existence and Term of this lease and such other non-financial terms as Landlord may approve.

ASSIGNS

12.17 This lease shall enure to the benefit of and be binding upon the parties hereto, shall be binding upon their respective successors and assigns and subject to the limitations on Transfer by Tenant set forth above, shall enure to the benefit of and be enforceable by only such successors and assigns which have agreed to assume and to perform each of the covenants of the party to which they have succeeded or from which they have received such assignment in the same manner and to the same extent as if originally named in this lease as such party.

AUTHORIZATION

12.18 Tenant covenants that it has all requisite power and possesses all licenses, franchises, permits, consents, approvals and other rights necessary to enable it to enter into this lease and carry out its provisions.

AGENCY

12.19 Tenant acknowledges that Manager has executed this agreement solely in its capacity of agent and manager for Landlord and the Manager shall have no personal liability under the provisions of this lease. Subject to the foregoing, Manager shall represent and act for and on behalf of Landlord for all purposes of this lease.

IN WITNESS WHEREOF the parties hereto have executed this lease.

LANDLORD:

•

**by its agent and manager,
20 VIC MANAGEMENT INC.**

Per: _____

Name: Randy Scharfe
Title: Managing Director

Per: _____

Name: Debbie Hewitt
Title: Director, Leasing and Legal Services

I/We have authority to bind the Corporation

TENANT:

•

Per: _____

Name:

Title:

c/s

Per: _____

Name:

Title:

I/We have authority to bind the Corporation

SCHEDULE 1

DEFINITIONS

In this lease certain recurring words and phrases have defined meanings as follows:

"Additional Rent" means all amounts payable by Tenant under this lease other than Basic Rent and Percentage Rent.

"assignment" means any transaction whereby any rights of Tenant under this lease are transferred to anyone (whether immediately, conditionally or contingently) and includes an assignment or specific or floating charge whereby the interest of Tenant is mortgaged or pledged as security for any indebtedness or other obligation and includes an assignment by operation of law.

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

"Basic Rent" means the rental referred to in key data item 10 and Section 3.1.

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

"Capital Tax" means any tax or taxes payable by the Taxpayer to any taxing authority based upon or computed by reference to the value of the Project, or the paid-up capital or place of business of the Taxpayer including without limitation, provincial capital tax and federal large corporation tax. If the system of capital taxation shall be altered such that any new tax shall be levied or imposed in substitution or replacement for or in addition to Capital Tax from time to time levied or imposed, then any such new tax or levy shall be deemed to be Capital Tax or included in Capital Tax.

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

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

"**Commencement Date**" means the date which is the earlier of:

- (a) the date on which Tenant first opens the Store for business, or
- (b) the later of:
 - (i) the date set out in key data item 7 for the start of the Term, and
 - (ii) the day following the expiry date of the Fixturing Period.

"**Common Facilities**" means all common areas and facilities from time to time furnished or designated by Landlord (as the same from time to time may be altered, diminished, reconstructed or expanded) in connection with the Project and now or hereafter developed or designated by Landlord, and including, without limiting the generality of the foregoing, the roof, ceiling and floor slabs, exterior walls and exterior and interior structural portions of the Project and all facilities and equipment for the production, generation or transmission of HVAC, Utilities, chilled water, and primary or make-up air, and mechanical, sprinkler, electrical and sewage facilities and equipment and telephone and other communications facilities, other than any of such items which are contained within any rentable premises in the Project for the exclusive use of such premises, and excluding Leasehold Improvements, and also including parking areas and parking structures, access roads, driveways, entrances and exits, sidewalks, Malls, ramps, landscaped areas, stairways, escalators, elevators, passageways, mechanical and electrical rooms, garbage facilities, delivery facilities, fire protection and detection equipment, security equipment, first-aid and information facilities and washrooms; provided that any of the foregoing may be located within the Project or elsewhere if designated from time to time by Landlord as forming part of the Common Facilities.

"**Competing Business**" means any business or retailing activity located or carried on by any means within the Project other than the Store (but including any business located in any other store) and any business or retailing activity located or carried on within the Protected Area in which Tenant or a Related Corporation, directly or indirectly in any capacity, participates in, has an interest in, is involved in or carries on (including business or retailing activity carried on through e-commerce and by means of the Internet within such area) and which business or retailing activity is competitive with the business carried on in the Store, other than any other business or retailing activity in operation and disclosed to Landlord before the Commencement Date, so long as such business or retailing activity is not thereafter expanded or relocated.

"**Construction Schedule**" means the provisions set forth in Schedule 3 to this lease.

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

"**CPI**" means the Consumer Price Index (All Items for Regional Cities) for the City in which the Project is located, or if there is no Consumer Price Index for that City, for the City in Canada nearest the Project for which there is a Consumer Price Index - or any substitute index designated by the Landlord - published by Statistics Canada or any other Authority; if another index is substituted, the Landlord shall be entitled to make necessary conversions.

"**Design Criteria**" has the meaning provided in the Construction Schedule.

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

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

"Environmental Law" means the statutes, regulations, policies, directives, orders, approvals and other legal requirements of an Authority or of the common law which affect the Project, the Store, and Landlord's or Tenant's business, and which impose any obligations relating to the protection, conservation or restoration of the environment, the Project or the Store.

"Fast Food Service Costs" means the portions of Operating Cost allocated by Landlord for payment by Fast Food Service Tenants on the basis that such portions are primarily attributable to the operations of Fast Food Service Tenants and to the provision of fast food service facilities and services in the Project.

"Fast Food Service Cost Contribution" means that proportion of Fast Food Service Costs in each Fiscal Period which the total Gross Leaseable Area from time to time of the Store, is of, the total Gross Leaseable Area from time to time of the premises of all Fast Food Service Tenants.

"Fast Food Service Tenants" means those tenants of the Project from time to time designated by Landlord as engaged in providing fast food services to customers of the Project, and entitled to the benefit of the common fast food facilities and services in the Project, regardless of where the premises of such tenants are located in the Project.

"Fiscal Period" means any fiscal period adopted from time to time by Landlord for the purpose required by the context in which it is used.

"Fixturing Period" means the period commencing on the date specified in a notice from Landlord to Tenant as the date upon which the Store is available to Tenant and ready to fixture and expiring on the earlier of, the number of days set out in key data item 15 following such specified date, or, the day preceding the date Tenant first opens the Store for business.

"Force Majeure" means a fire, strike, lock-out or other casualty or contingency beyond the reasonable control and not the fault of the party thereby affected, where the effects of such casualty or contingency are not avoidable by the exercise of reasonable effort or foresight by such party (but does not include insolvency, lack of funds, or other financial casualty or contingency).

"Free Standing Stores" means all rentable premises located in separate ancillary or satellite buildings on the Project.

"Gross Leaseable Area" means, in respect of any rentable premises including the Store, the exact area in square feet of all floor space on every floor or level therein including for this purpose and measured from:

- (a) the outside surface of all exterior walls;
- (b) the outside surface of all interior walls, doors and windows separating such premises from any portion of the Common Facilities; and

(c) the centre line (determined without regard to any finished treatment on such wall) of all interior walls separating such premises from adjacent rentable premises.

Where a portion of any rentable premises is recessed from a demising line, the area of such recess shall be included as part of the Gross Leaseable Area of such premises. There shall be no deduction or exclusion from the Gross Leaseable Area for anything occupying floor space.

"Gross Revenue" means all of the gross receipts and revenues of every nature and kind with respect to all business and retailing activity conducted by any means at, in, upon, through or from the Store, the Project and any Competing Business and, whether at wholesale or retail, whether for cash, credit, exchange of merchandise or other consideration and whether by Tenant or any other person conducting business and retailing activity by any means at, in, upon, through or from the Store and any Competing Business including every subtenant, franchisee or licensee; and including the selling price of all merchandise, services and entertainment sold or for which orders are obtained or which are delivered or provided to the purchaser at, in upon, through or from the Store, the Project or the Competing Business including, without limitation, all merchandise, services and entertainment sold, ordered, provided or delivered at, in, upon, through or from the Store, the Project or any Competing Business by means of e-commerce and the Internet or by machines or devices of any kind, including vending machines and machines or other devices operated by coins, credit cards, electronic communication or otherwise. Each sale shall be treated as a sale for the full price (including all finance charges) at the time such sale is made, regardless of when or if Tenant receives payment.

Gross Revenue shall not include or there shall be deducted to the extent otherwise included therein;

- (i) the amount of refunds on sales previously included;
- (ii) the value of merchandise exchanged between stores of Tenant solely for the convenient operation of Tenant's business and not for the purpose of consummating a transaction which began upon, through or from the Store;
- (iii) returns to shippers or manufacturers;
- (iv) amounts collected from customers of any business operated upon, through or from the Store on behalf of, and actually paid to, a taxing authority by Tenant for any direct sales tax imposed by such authority;
- (v) the selling price of merchandise returned by any customer to the Store for exchange, provided that the selling price of such merchandise has previously been included in Gross Revenue and that the selling price of the merchandise delivered to the customer in exchange shall be included in Gross Revenue; and
- (vi) sales of fixtures, machinery and equipment after use and replacement thereof in the conduct of the business of Tenant in the Store.

"Hazardous Substance Audit" means an inspection, investigation and report for the Store completed on behalf of and at Tenant's sole expense, by an independent environmental consultant designated or approved by Landlord, together with such tests, surveys and inquiries as Landlord or such consultant deems advisable in the circumstances, into the presence or existence of any Contaminant in, on or about the Store, including in the Leasehold Improvements or in any Tenant Property, and into the condition or status of the Store, Leasehold Improvements and Tenant Property in relation to possible contamination by any Contaminant, and shall include the consultant's written report and certification as to the presence or absence of any Contaminant, addressed and delivered to Landlord, summarizing the nature and results of

all inspections, tests, surveys and inquiries conducted, and the consultant's recommendations for any remedial, removal or precautionary actions that are or may be required under Environmental Law or under the provisions of the lease in the circumstances.

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

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

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

"Interest Rate" means, with respect to each relevant Fiscal Period, a rate of interest which is two percentage points per annum more than the rate of interest per annum established by a bank named by Landlord, as a reference rate of interest to determine the interest rate such bank will charge for Canadian dollar commercial loans to its customers in Canada and which such bank quotes or publishes as its prime rate.

"Landlord" includes Landlord and its successors and assigns.

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

"Leasehold Improvements" means all fixtures, improvements, installations, alterations and additions from time to time made, constructed, erected or installed in or to the Store with the exception of Tenant Property, and shall also include all or any portion of any HVAC Facilities, sewage, sprinkler, mechanical and electrical equipment and facilities and equipment for or in connection with the supply of HVAC, Utilities or communications wherever located, exclusively serving the Store.

"Major Stores" means premises in the Project having a Gross Leaseable Area in excess of 15,000 square feet each.

"Major Tenant" means the lessee or occupant of any Major Store.

"Mall" means each enclosed customer concourse of the Project onto which Retail Premises front and have direct access, on the ground floor level of the Project and on any main level above or below the ground floor level which has been from time to time in each case, designated as a retail mall by Landlord.

"Manager" means Landlord's authorized agent and manager for the Project as named in key data item 21 and who may be changed from time to time.

"mortgage" includes a mortgage, pledge, charge, hypothec, privilege, encumbrance or any other financing arrangement and, where the context requires, a ground or underlying lease, and "mortgagee" includes the holder of such mortgage and the lessor under such ground or underlying lease.

"Opening Date" means the date already determined or to be determined by Landlord upon which the Project (or any portion thereof in which the Store is situate) has been or is to be officially opened to customers for business.

"Operating Cost" includes the total direct and indirect cost and expense, without duplication, incurred or accrued and attributed by Landlord to discharge its obligations under this lease and with respect to the ownership, administration, operation, management, maintenance, improvement, insuring, cleaning, supervision, rebuilding, replacement and repair of the Project, plus an administrative fee equal to 15% of such total cost and expense. If Landlord decides not to charge the full amount of any one or more of the foregoing costs and expenses in the year in which it is incurred, then any such uncharged portions may be charged in any subsequent years and there shall be included, interest at the Interest Rate on the uncharged portion of such costs and expenses from time to time. Indirect and offsite costs, depreciation charges, interest at the Interest Rate on undepreciated portions of capital costs and Capital Tax for the Project shall be determined and allocated by Landlord to Operating Cost in accordance with the provisions of this lease. No amount shall be included in Operating Cost for financing or mortgage charges of the lands and buildings comprised in the Project, and Landlord shall deduct the proceeds paid to Landlord under any insurance maintained by it pursuant to this lease where the expense to which such proceeds relate was previously included in Operating Cost. Prior to calculating Tenant's Share of Operating Cost, Landlord shall deduct from the total Operating Cost, amounts payable for such costs pursuant to Landlord's leases with Major Tenants and contributions to such costs receivable by Landlord in respect of those parts of other rentable premises in the Project which have been excluded in the calculation of Tenant's Share.

"Operating Standards" means the rules, procedures and requirements as amended and supplemented from time to time, (initially as set forth in Schedule 2 to this lease) governing the manner in which Tenant and others doing business in the Project shall operate and conduct their businesses.

"Other Lease" means any other offer or agreement to lease, lease or tenancy agreement, whether oral or written, where the lessee or occupant thereunder is Tenant, or a Related Corporation (either as an original party or by assignment, succession or otherwise), respecting any premises other than the Store, within the Project or in another shopping centre or other commercial property in Canada owned, controlled or managed, in whole or in part, by Landlord, Manager or any corporation or legal entity affiliated or associated with either Landlord or Manager.

"Percentage Rent" means the rental referred to in key data item 11 and Section 3.2

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

"Project" means the lands and premises described in Schedule 4, as the same may be from time to time, altered, diminished, enlarged, reconstructed or expanded, and includes the Common Facilities and all structures, improvements, services, fixtures and facilities used in the operation thereof and now or hereafter constructed, erected and installed thereon, but excludes all improvements to rentable premises made or installed therein by or on behalf of any occupant of such premises, and further excludes all property owned by or for which any occupant of rentable premises is primarily responsible to repair, maintain or insure.

"Protected Area" means the area referred to in key data item 17.

"Realty Tax" means any real property, municipal, school or local improvement tax, assessment or charge or any other tax, assessment or charge imposed upon or in respect of any real property from time to time by any Authority, including any costs incurred by Landlord in determining or verifying the propriety or

reasonableness of or contesting the same in good faith; but excluding any Capital Tax and any income or profits tax upon the income of Landlord, to the extent any such tax is not imposed in lieu of any tax, assessment or charge upon or in respect of the Project or upon Landlord in respect thereof, and further excluding each Business Tax of Landlord in respect of the Project and without duplication of any Business Tax of Tenant or in respect of the Store. If any other tax, assessment or charge is imposed by any governmental or regulatory authority upon or in respect of all or any portion of the Project, the revenues therefrom or Landlord, in substitution for or in addition to any Realty Tax from time to time imposed, then any such other tax, assessment or charge shall be deemed to be a Realty Tax.

"Related Corporation" means a holding corporation, subsidiary corporation or affiliate of Tenant, as each of those terms is defined in the Business Corporations Act or similar statute of the Province in which the Project is located.

"rent" means Basic Rent, Percentage Rent and Additional Rent.

"Retail Hours" means the business days and hours from time to time designated by Landlord for the Project.

"Retail Premises" means that portion of rentable premises in the Project which fronts onto, has direct customer access to, and is on the same level as any Mall and which, during any applicable time period, is either actually used and occupied or is intended by Landlord to be used and occupied for the purpose of retailing goods or services, but excludes Major Stores, free standing buildings and premises used or intended for use by any Authority or by the Crown or Crown agencies or other governmental agencies or bodies and excludes premises used for recreational, community, theatre, or day care purposes and further excludes premises or areas designated by Landlord from time to time as being for use as mechanical, storage, office, administrative or other similar uses or for non-retailing use.

"Security Deposit" means the sum specified in Key Data Item 13.

"Store" means the premises shown outlined in red on Schedule "5" and includes the Leasehold Improvements; and the boundaries thereof extend to and include: (i) the inside surface of exterior walls and of structural columns therein; (ii) exterior doors and windows and any walls separating such premises from a Mall; (iii) the centre line of any walls separating such premises from adjacent rentable premises or from any portion of the Common Facilities other than a Mall; (iv) the top surface of the structural subfloor; and (iv) the bottom surface of the structural ceiling or, if there is no ceiling, a plane extending across the Store at the top of the demising walls as determined by Landlord. Furthermore, such premises and the Store shall include the surface of any area recessed from the demising line and shall exclude any Common Facilities located within such boundaries.

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

"Taxpayer" means Landlord and each of the entities constituting Landlord and each of the owners of the Project, as the case may be.

"Tenant" includes Tenant and its respective heirs, executors, administrators, successors and assigns, as the case may be.

"Tenant Property" means the trade fixtures, chattels, merchandise and personal effects within the Store.

"Tenant's Service Cost" means the total direct and indirect cost and expense, without duplication, incurred or accrued and attributed by Landlord, for the provision and supply by or through Landlord, of HVAC, steam, chilled water, make-up or primary air, and any Utilities used or consumed in the Store or in the conduct of Tenant's business, including the cost of maintenance, replacement, repair and operation, and the cost of depreciation on the capital cost of, and interest at the Interest Rate on the undepreciated portion of the capital cost of, all equipment, facilities and installations utilized in connection with such provision and supply and whether or not such equipment, facilities and installations are shared with other premises within or outside the Project or with the Common Facilities, or with other portions of the Project (including the cost to Landlord of determining and allocating such cost and expense). Indirect and offsite costs, depreciation charges and interest on undepreciated portions of capital costs shall be determined and allocated by Landlord to Tenant's Service Cost in accordance with the provisions of this lease.

"Tenant's Share" means that proportion of any amount which the total Gross Leaseable Area from time to time of the Store, is of, the total Gross Leaseable Area from time to time of the whole of the Retail Premises.

"Term" means the period specified in key data item 6, from the date specified in key data item 7 to the date specified in key data item 8. If the Commencement Date is prior to the date specified in key data item 7, then, subject to Section 2.1, the provisions of this lease shall become effective from and after the Commencement Date and the period from and including the Commencement Date to the date specified in key data item 7 shall be added to the Term.

"Toxic Substances" means any substance which is listed on the List of Toxic Substances prescribed under the Canadian Environmental Protection Act (1999,c.33) (as amended from time to time, or any replacement legislation), or is designated to be toxic or hazardous by an Authority.

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

"Utilities" means water, gas, fuel, electricity, telephone, waste disposal and other utilities or services or any combination thereof other than HVAC.

"Utility Costs" means all costs and expenses related to or associated with the production, generation, transmission, distribution, delivery, supply and servicing of Utilities to the Store, other consumers in the Project, to the common facilities and to Landlord in connection with the Project, including, without limitation, all deposits, letters of credit and interest and carrying costs related thereto, and supply, distribution, production, demand and consumption charges, costs, and surcharges, all costs and charges related to administration, debt servicing and metering, as well as all costs incurred for consultants and brokers retained by Landlord in connection with the procurement, management and administration of Utilities for the Project and Utility consumers therein.

SCHEDULE 2

OPERATING STANDARDS

Tenant shall comply and shall cause all persons within its control to comply with the following Operating Standards. Amendments and supplements to such standards by Landlord shall be upon reasonable prior notice to Tenant.

1. Tenant shall be open for business throughout the Retail Hours .
2. Tenant shall operate its business in a first class manner and keep the Store's appearance in first class condition.
3. Tenant shall not permit to be carried on in the Store, any mail order or catalogue business; or the sale of any form of lottery participation; nor any liquidation, going out of business, restructuring, distress, fire or bankruptcy sale, nor a bulk sale other than pursuant to a permitted Transfer.
4. Tenant shall not commit or permit any waste or damage to the Store or the Project, or commit or permit anything which may disturb the quiet enjoyment of any occupant of the Project or which may interfere with the operation of the Project. Tenant will not cause or permit any nuisance or hazard in or about the Store and Tenant will not permit the storage of any Contaminant or any Discharge in or about the Store or the Project and will keep the Store free of Contaminants, debris, trash, rodents, vermin and anything of a dangerous, noxious or offensive nature or which could create a fire hazard (through undue load on electrical circuits or otherwise) or undue vibration, heat or any noxious or strong noises or odours or anything which may disturb the enjoyment of the Project and the Common Facility by customers and other tenants of the Project. Without limiting the generality of the foregoing Tenant shall not use or permit the use of any equipment or device such as, without limitation, loudspeakers, stereos, public address systems, sound amplifiers, radios, televisions, VCR's or DVD's which is in any manner audible or visible outside of the Premises; and no noxious or strong odours shall be allowed to permeate outside the Store and no items may be placed outside the Store or in any recessed storefront area; in each case without the prior written consent of Landlord which may be arbitrarily withheld or withdrawn on 24 hours notice to Tenant.
5. The only signs and advertising matter permitted in or about the Store shall be a storefront identification sign approved by Landlord and professional signs and advertising matter which are usual to Tenant's business and not objectionable to Landlord.
6. Tenant shall not permit any machines or devices selling or dispensing merchandise or services and operated by coins, credit cards or otherwise, to be present in the sales or display area of the Store.
7. Tenant shall comply with Landlord's instructions concerning storage, removal and disposal of waste and refuse.
8. Tenant shall not overload or misuse any Utilities or floor in the Store.
9. If the Store has a recessed storefront, Landlord shall have the right to regulate or prohibit displays and sales of merchandise within such recessed area and Tenant shall comply with any instructions of Landlord regarding such recessed area.
10. Tenant's right of use of Common Facilities under the lease is subject to compliance with the following rules:

.1 During or in connection with any of Landlord's activities under this lease and the making of alterations, improvements, reconstructions or repairs to any portion of the Project, Landlord may close portions of the Common Facilities and may erect temporary scaffolds and other construction aids in the Common Facilities and on the exterior of the Store, and may interfere (to the extent necessary and reasonable) with the use of and access over any portion of the Common Facilities.

.2 Tenant shall make and receive deliveries of supplies, fixtures, equipment, furnishings and merchandise only through the receiving facilities designated by Landlord for such purpose. Tenant shall not at any time park or allow vehicles making or receiving deliveries to or from the Store to be parked in parking areas not specifically allocated by Landlord for the purpose of parking such vehicles.

.3 If part or parts of the parking areas are allocated from time to time by Landlord for tenant and employee parking, Tenant shall park and shall ensure that its employees park their vehicles only in such allocated parking areas. Landlord may prohibit Tenant and its employees from parking anywhere in the Project. Tenant shall provide to Landlord on demand a list of all license numbers of all Tenant and Tenant employee vehicles using the Common Facilities. Tenant shall pay to Landlord a parking charge of \$35.00 per day (or such greater amount as the Landlord may from time to time establish as being necessary to discourage unauthorized parking) for each vehicle of Tenant or any of its employees or others under its control that is parked without the prior written permission of Landlord in any parking area not designated for use by Tenant and such other persons.

.4 The parking areas or other parking facilities serving the Project, or any portion thereof from time to time may be operated as a paid parking facility by Landlord or any other person selected by Landlord. Parking rates or charges may be imposed by such other person or by Landlord provided they are not excessive having regard to the facilities provided and subject to the right of Landlord to set rates or charges sufficient, in its sole discretion, to discourage long term and non-customer parking and to produce a sufficient turnover of parking spaces.

11. The following provision applies where Tenant is a Fast Food Service Tenant.

Landlord from time to time may establish, modify and enforce such rules, regulations, policies, standards and practices for the fast food service areas which do not contradict the provisions of this lease, and which Landlord determines to be necessary or advisable and in the best interest of the fast food service areas and the Project. All such rules, regulations, policies, standards and practices shall become a part of this lease and shall bind Tenant upon notification thereof to Tenant. Without limiting the generality of the foregoing, such rules, regulations, policies, standards and practices may be related to the health and sanitary conditions of Tenant's operations; standard and quality of merchandise of Tenant, Tenant's customer relations and the manner in which customer complaints are resolved; and such other matters as the Landlord determines appropriate from time to time with respect to the operation of the fast food service areas. Landlord shall not be responsible to Tenant for non-observance or violation of any provisions of such rules, regulations, policies, standards and practices or of the provisions of any other lease of premises in the Project, and shall be under no obligation to enforce any such provisions.

SCHEDULE 3

CONSTRUCTION SCHEDULE

PART 1 - DEFINITIONS

1.1 In this Construction Schedule terms defined in the lease are used with the meanings so defined and the following additional defined terms have the meanings indicated:

"As-is Condition" means the existing condition of the Store prior to the commencement of any Landlord's Work or Tenant's Work.

"Design Criteria" means Landlord's manual, as amended and supplemented by Landlord from time to time, setting out standards and procedures applicable to any work or material for the Store including preparation and review of plans and the conduct and completion of Tenant's Work whether at the beginning or at any time during the Term. Such manual shall provide for architectural, mechanical and Utilities standards, specifications and criteria established by Landlord, from time to time, for rentable premises in the Project, including but not limited to standards, specifications and criteria for storefronts, interior improvements, and signs.

"Landlord's Work" means all items of work specified in Part 4.

"Landlord's Work at Tenant's Expense" means all the work described in this Construction Schedule to be performed by or on behalf of Landlord at Tenant's expense.

"lease" means the offer, agreement or lease to which this Construction Schedule is attached or incorporated by reference.

"plans" means plans, specifications and drawings.

"Tenant Outline Drawing" means the plans described as such in Part 2.

"Tenant Detail Plans" means the final plans described in Part 2 as reviewed by Landlord.

"Tenant's Work" means all items of work described or referred to in Part 5, to be carried out by Tenant at Tenant's expense.

PART 2 - PLANS AND APPROVALS

2.1 *Tenant Outline Drawing*

Landlord shall provide to Tenant a Tenant Outline Drawing, if available, or, building working drawings relevant to the Store consisting of one or more plans which show the approximate dimensions of the Store and the approximate location of its boundary walls and which may show the approximate location of mechanical equipment and Utilities serving the Store.

2.2 *Design Criteria*

Tenant acknowledges having received and reviewed a copy of the Design Criteria for the Project. The Design Criteria is incorporated by reference into and forms part of this Construction Schedule. All Tenant's Work and plans shall conform to the Design Criteria.

2.3 *Plans and Documentation*

Tenant shall submit a complete set of architectural, structural, mechanical, electrical and signage drawings and a completion schedule for Tenant's Work in accordance with the requirements and procedures set out in the Design Criteria. Landlord review of final plans for all Tenant's Work and Landlord's written authorization to proceed with Tenant's Work in accordance with the final plans as reviewed by Landlord is required prior to commencement of any such work. Landlord may require revisions to such plans as a condition of its authorization to proceed. Any Tenant's Work which is not done in accordance with the plans, specifications, information and revisions delivered to and reviewed by Landlord or is not otherwise in accordance with the requirements of the lease and the Design Criteria and which has not been removed or corrected forthwith after request by Landlord, may be removed or corrected by Landlord at the expense of Tenant. Review of plans by Landlord is restricted to the acceptability of general design intent only and shall not constitute the assumption of any responsibility by Landlord for their accuracy or sufficiency, or their compliance with applicable laws, by-laws, regulations, or codes, and Tenant shall be solely responsible for all such items. Tenant shall also be responsible for checking all dimensions on site. During the conduct of any Tenant's Work, Tenant shall keep accessible within the Store one set of Landlord-reviewed Tenant Detail Plans.

Upon completion of Tenant's Work and prior to the opening of the Store, Tenant and/or its contractors shall furnish Landlord with two (2) sets of as-built documents consisting of, but not limited to, the following:

- record drawings depicting the actual on-site conditions and/or revisions made during the construction process.
- inspection and/or completion Certificates for all applicable trades prepared and delivered by the relevant architects or engineers and confirming completion of all components of Tenant's Work in accordance with all relevant codes, regulations, requirements and approved plans.
- Air Balancing Reports as prepared by a Landlord-approved contractor.
- Electrical Load Balance Report as prepared by a Landlord-approved contractor.
- Occupancy Permit as provided by the local authorities having jurisdiction.

Should Tenant fail to provide as-built documentation which Landlord determines to be adequate, within thirty (30) days from occupancy, Landlord shall have the right to enter the Store and prepare such documentation at Tenant's expense payable as rent on demand.

2.4 *Plan Review Charge*

Tenant shall pay to Landlord upon the Commencement Date the basic charge specified in key data item 16 for Landlord's costs and expenses related to reviewing Tenant's plans. The full cost and expense of any work done by or on behalf of Landlord in revising or assisting in the completion of any Tenant plans shall be paid for by Tenant in addition to the basic charge.

PART 3 - CONDUCT OF TENANT'S WORK

General Rules Regarding Tenant's Work

3.1 *Tenant's Contractors*

Prior to commencing any portion of Tenant's Work, Tenant shall obtain Landlord's approval of any general contractor or subcontractor whom Tenant proposes to involve in the completion

of such portion of Tenant's Work. Tenant shall obtain or cause its contractors and or any subcontractors to obtain builder's risk and commercial general liability insurance against personal and bodily injury, including death, and property damage on an occurrence basis and having limits of not less than \$5,000,000.00 in respect of any one occurrence and such insurance shall be in force prior to Tenant or its contractors gaining access to the Store.

3.2 *Landlord's Access*

All Tenant's Work shall be subject to the inspection, supervision and approval of Landlord. Landlord and anyone authorized by it shall have access to the Store at all times for the purpose of inspecting Tenant's Work or conducting Landlord's Work.

3.3 *Plan Conformity*

It is the sole responsibility of Tenant to confirm to its satisfaction prior to commencing any of Tenant's Work, that any and all dimensions shown on Tenant Outline Drawing, Tenant Detail Plans and any other plans are accurate and conform to actual measurements and dimensions. Landlord makes no representations in respect of the accuracy (and is not responsible for any inaccuracy) of any dimensions shown on any plans.

3.4 *Work Affecting Structure*

Tenant shall not allow or cause to be imposed upon any floor area of the Store or the Project a greater working load than the maximum allowable live load of such floor area. Tenant shall not allow or cause to be suspended from the underside of the roof or roof structure any load other than normal ceiling and lighting loads unless it shall have obtained the prior written approval of Landlord. Tenant shall not allow or cause to be drilled or cut any conduit, pipe sleeves, chases or duct equipment openings in any floors, columns, walls, steel decks or roofs of the Store or the Project. Any work contemplated by Tenant Detail Plans which may affect the integrity of any base building component shall be performed by Landlord's designated contractor at Tenant's expense.

3.5 *Commencement of Tenant's Work*

No Tenant's Work shall be commenced or undertaken until all procedural and review requirements contained in this Construction Schedule (including the Design Criteria) have been satisfied by Tenant, including but not limited to the following:

- inspection and acceptance of premises in As-Is Condition by Tenant (which shall be deemed to have occurred if Tenant commences work).
- receipt by Tenant of Landlord-reviewed Tenant Detail Plans and Landlord's written authorization to proceed with Tenant's Work.
- Tenant's contractor(s) have a building permit and proper insurance coverage in force in accordance with Part 8 of the lease.
- review and acceptance by Tenant of rules and regulations pertaining to contractors working at the Project.

- execution and delivery by Tenant of a Tenant Possession Notice in a form provided by Landlord which shall include acknowledgement of commencement of the Fixturing Period and delivery of possession of the Store to Tenant.
- delivery by Tenant to Landlord, of a copy of the Hazardous Substance Audit for the Store which shall be completed on behalf of and at the sole expense of Tenant by an environmental consultant designated or approved by Landlord

3.6 Fixturing Period and Occupation for Tenant's Work

So long as Tenant has complied with all obligations under the lease, the Construction Schedule and the Design Criteria, Tenant shall occupy the Store commencing on the start of the Fixturing Period but if no Fixturing Period is provided for in the lease, Tenant shall occupy the Store on the date set out in key data item 7.

PART 4 - LANDLORD'S WORK

4.1 Existing Store

Tenant accepts the Store in As-Is Condition except for completion of any further work which is specified in this Construction Schedule to be done by Landlord at Landlord's expense.

4.2 Basic Building

The structural frame of the Project includes columns, beams, joists, floors and roof.

4.3 Walls

Demising walls are constructed of metal stud and drywall, or concrete or masonry, or, if exterior building walls, materials selected by Landlord for such walls.

4.4 Floors

If Tenant's use of the Store requires any allowable live floor load to be increased, upgrading work shall be performed by Landlord's designated contractor(s) at Tenant's expense.

4.5 Services

Facilities and equipment for sprinklers, Utilities and HVAC are provided to the Store only to the extent indicated on the Tenant Outline Drawing. Where Tenant Detail Plans show approved extension or alteration of any such items and if service capacities are available, Landlord shall carry out such extensions or alterations and all such work and materials shall be paid for by Tenant upon demand. If the Tenant Detail Plans depict an HVAC system or electrical services requiring less capacity than shown on the Tenant Outline Drawing, then such services will be provided to the Store only to the extent indicated on the Landlord-approved Tenant Detail Plans.

PART 5 - TENANT'S WORK

5.1 Tenant shall carry out and complete, in a prompt and good and workmanlike manner, all necessary work in connection with preparing the Store for opening, including the storefront, ceiling, plumbing, electrical, HVAC Facilities, metering, fire-rating and any other work, improvements or

finishings necessary to prepare the Store for opening including the demolition and disposal of any existing improvements and fixtures in the Store, as well as any alterations to such items and the Store proposed to be done by Tenant at any time during the Term. All such work shall only be undertaken and carried out in compliance with the Landlord-reviewed Tenant Detail Plans and this Construction Schedule including the Design Criteria and Landlord's written authorization to proceed.

5.2 Upon completion of Tenant's Work, Tenant shall request Landlord to perform a deficiency inspection. Landlord will perform and report on such inspection, acting reasonably, and Tenant will arrange to have all deficiencies noted on Landlord's deficiency report corrected. Should Tenant fail to correct all deficiencies within 30 days after receipt of Landlord's deficiency report, Landlord shall have the right to enter the Store and have the deficiencies corrected at Tenant's expense.

PART 6 - PAYMENT SCHEDULE

6.1 *Landlord's Work at Tenant's Expense*

All Landlord's Work at Tenant's Expense and any other work undertaken, performed or paid by Landlord on Tenant's behalf shall be at the expense of Tenant and payable to Landlord as invoiced by Landlord. The cost of such work shall include the actual cost of all labour, materials, taxes and architectural, engineering and contractors' fees, and an administration fee equal to fifteen (15%) percent of the aggregate of such costs. In the absence of actual cost figures Landlord shall prepare a reasonable estimate of the cost and Tenant shall make payments based on such estimate in accordance with this Section. When the work is completed and actual costs are known, the parties shall make all appropriate adjustments.

SCHEDULE 4

LEGAL DESCRIPTION OF PROJECT

SCHEDULE 5
LEASING PLAN

SCHEDULE 6

INDEMNITY