

JR BUILDINGS

Commercial Lease

BETWEEN:
Jordan Rosenzweig, having a place of business at 720 Décarie, suite 235, Boulevard, City of Saint-Laurent, Quebec H4L 3L5, duly authorized for the purposes of these presents. (Hereinafter called the “**LANDLORD**”)

AND:

AND :

GUARANTOR:

Hereinafter called the “**TENANT**”)

TENANT and LANDLORD agree as follows:

(1) LEASED PREMISES

The Landlord hereby leases to the Tenant those certain premises bearing number _____ in the building located at _____

the City of **Saint Laurent, Québec, Canada**. The Tenant acknowledges having seen and examined the said premises and declares being satisfied therewith.

(2) TERM

The present lease is made for the term of beginning on _____ and expiring on _____

(3) RENTAL

The present lease is made for a base rental of _____ (plus G.S.T. & P.S.T.) per month + operating expenses (taxes and expenses), as per addendum which forms an integral part of the lease, along with electricity and heat (Natural Gas), by way of Cheque monthly. The Tenant shall assume and be responsible for all charges; costs and expenses related to tenant's repairs, licenses and permits related to business, operating expenses, business and service taxes, and insurance for the business. Prior to the beginning of each term of lease, the Tenant shall supply the Landlord with a series of twelve (12) postdated cheques covering the monthly installments to become due during said year. The Tenant shall provide the Landlord with first and last months rent in advance of taking possession of the premises. The tenant shall provide a VOID cheque in order for the landlord to authorize direct withdrawal from tenant's bank account for the term of the lease.

(4) USE OF THE LEASES PREMISES

The leased premises shall be used by the Tenant for the purpose of _____. The use of the premises may be changed only with the express consent of the Landlord. The leased premises may not under any circumstances be used for residential purposes.

The Tenant shall not place or install any sign, advertisement or notice in the building or the leased premises whether inside or outside without the written consent of the Landlord. All signage must also be approved by the city. The tenant must abide by city's rules and regulations. Any improper signs resulting in fines to the landlord shall be the tenant's responsibility to pay.

(5) CONDITIONS

This lease is made subject to the following clauses and conditions, which the Tenant hereby binds and obliges themselves to fulfill and execute namely:

- (a) The Tenant may not sell, transfer or assign his rights into the present lease or sublet the leased premises or sell, transfer or assign his business without the written prior consent of the Landlord, but it is understood that the Tenant will jointly and severally remain responsible for the fulfillment of all the conditions and obligations of the present lease.
- (b) The Tenant shall obtain the written prior consent of the Landlord before changing the use of the leased premises or effecting any renovations.
- (c) The Tenant shall furnish the leased premises with and maintain at all times therein a sufficient quantity of furniture, fixtures and other marketable effects to secure the payment of at least one full year's rent.
- (d) Any and all consents require the landlord's approval.

(6) INSURANCES

During the term hereof, Tenant will maintain at its sole cost, property, damage and public and general liability for not less than two million dollars (\$2,000,000.00), glasses insurance and fire insurance with extended coverage, covering furniture, commercial equipment, fixtures and improvements in an amount equal to the full insurable value thereof. Copies of, or certificated evidencing such insurance policy shall forthwith upon the execution be delivered annually to Landlord.

Each such policy shall name Landlord as in additional insured as its interest may appear, and provide for written notice to Landlord at least thirty days prior to any modification or cancellation thereof.

Should the Tenant be in default of maintaining such insurance, the Landlord, if he deems it necessary, shall maintain such insurance and pay the premiums which will be considered as additional rent (or as being part of the rent). The fact by the Landlord of not prevailing himself of this right can in no way be held against him nor engage his responsibility nor constitute a waiver of any right awarded to him by the present lease.

Concerning all insurance enumerated above, the policies will contain in favor of the Landlord a renunciation clause by the insurer to the right of subrogation.

(7) SERVICES

(a) The Landlord is authorized to effect any repair, maintenance or work for which he deems necessary and to that end the Tenant shall grant him free access to the leased premises in order to effect such work without being entitled to any reduction of rental or any indemnity.

(b) The Tenant shall pay for all addition of electrical fixtures and/or gas apparatus, if any. With regard to electricity charges, the Tenant covenants not to overload the electrical system presently installed in the leased premises.

(c) The TENANT shall pay the cost of all utilities consumed in the premises, including electricity, and natural gas;

(d) The TENANT shall install their own meter for Hydro and Natural Gas and will be responsible for the recurring charges on this account

(8) MODIFICATIONS, REPAIRS, CHANGES, ADDITIONS AND RENOVATIONS

(a) The Tenant covenants not to effect any modifications, alteration, change, addition or repair in the leased premises (hereinafter collectively called "renovations") either before or during the term of this lease without the written consent of the Landlord. In all case where such written consent shall have been given, such renovations shall be made subject to the following conditions:

(i) All plans and specifications of intended renovations shall be approved by the Landlord.

(ii) Nothing shall modify the present perimeter walls, the front wall, the electrical heating and ventilation apparatus, the plumbing, the mechanical and electrical systems, the floor or the roof of the building.

(iii) All renovations shall be made in accordance with the laws and regulations of governmental authorities, provincial, municipal and others.

(iv) The Tenant shall obtain a special insurance policy, the amount of which shall be determined by the parties, protecting the Landlord and the Tenant against risks occurring during such renovations.

(v) All such renovations shall be effected by a contractor, contractors or subcontractors selected by the Tenant but who must be approved by the Landlord. Every contractor or subcontractor shall be the contractor or subcontractor of the Tenant.

(vi) The cost of such renovations shall be for the sole account of the Tenant. Should the Landlord be required to pay any sum of money, such sum shall be immediately repaid by the Tenant to the Landlord and may be collected as additional rent. The Landlord shall not, under any circumstances, be held responsible for any damage arising from any defect in such renovations.

(vii) Any renovation so effected may not be dismantled or removed either before or after the termination of this lease without the prior written consent of the Landlord.

(b) At the Expiry or earlier termination of this lease, for any reason, the Tenant shall be bound, if requested by the Landlord, to remove all renovations, including without limitation, renovations installed by the Landlord and/or the Tenant in the

leased premises in accordance with the provisions of this lease or in accordance with the provisions of any prior lease, irrespective of the fact whether the Tenant or the Landlord was responsible for the cost of such renovations. The Tenant shall therefore be obligated to restore the premises to their original state and condition (except to be maintained as is). Should the Tenant not be requested to remove such renovations and same remain on the premises, such renovations shall be deemed to have become the Landlord's property without any compensation becoming due to the Tenant in regard thereof.

(c) The Landlord may install and maintain in the leased premises whatever he may deem necessary, reasonable or useful for the building or other Tenant's equipment, service or utilities, and the Tenant shall have no claim against the Landlord in respect thereof.

(9) MAINTENANCE OF THE LEASED PREMISES AND RESPONSIBILITY

(a) The leased premises shall be cleaned and maintained in a good state of repair by the Tenant.

(b) The Tenant shall maintain the leased premises and all accessories thereof including all additions and shall, at the termination of the present lease, restore the leased premises to their original state and condition, except for improvements made (subject to the prior paragraph) and subject to reasonable wear and tear. Upon surrender of the premises, the Tenant may remove all his furniture and belongings provided no rental is due and eligible.

(c) The Tenant shall promptly notify the Landlord in writing of any defect, leakage, fire or other damage caused to the leased premises.

(d) The Tenant shall abide by all laws and municipal by-laws, police instructions, orders-in-council from the municipality, and directives from the health and fire departments providing the leased premises were in compliance at the time of occupancy.

(10) NON-RESPONSIBILITY OF LANDLORD

(a) The Landlord shall not be held responsible for the death or injury to person in the leased premises or in the building nor for damages, losses, theft or destruction of property, which may arise from any cause whatsoever.

(b) The Landlord is not responsible for interruptions of service or interruptions in the operation of equipment which may be caused by maintenance, repairs, renewals, modifications, strikes, riots, insurrections, labor disputes, accidents, oil shortages, governmental interventions, act of god, fortuitous events or any other causes which are beyond Landlord's reasonable control. Such interruptions shall not under any circumstances be considered as an eviction or restraint to the enjoyment of the leased premises by the Tenant and shall not under any circumstances render the Landlord responsible for any damages, which may be caused, to the Tenant, nor shall they relieve either party from their respective obligations under the present lease.

(c) The Tenant covenants and agrees to hold harmless and indemnify the Landlord for any fault, penalty, damage or charge imposed due to any violation of any law or ordinance by the Tenant or persons associated with the Tenant. The Tenant will hold harmless and indemnify the Landlord for any fault, damage or expense incurred and arising from any accident or other occurrence in or about the leased premises and causing injury to any person or damage to any property and against any damage or expense arising from any default of the Tenant to comply with the provisions of this lease.

(11) RIGHT OF ACCESS

(a) The Landlord, his agents and representatives may enter in the leased premises during regular business hours upon reasonable prior notice except for emergencies and without responsibility to the Tenant in order to examine or show the premises to effect renovations or repairs or for any other reason considered necessary for its equipment. During the last six (6) months of the term of the lease or its renewal, the Tenant shall allow access to the said person or to any person who wishes to lease the premises during reasonable business hours and upon prior notice.

(b) The Tenant shall not change any lock on the doors of the leased premises without having obtained the prior written consent of the Landlord.

(c) At any time during the term of the present lease or its renewal, the Landlord, his agents and representatives shall have access to the leased premises during business hours to show the premises to prospective purchasers of the building.

(12) INTERESTS AND ARREARS

The Tenant shall pay monthly compound interest at the rate of eighteen percent (18%) per annum on any rent and/or amount eligible as rent pursuant to the provisions of this lease, which is due and not paid when eligible. This interest will run from the eligibility date without the need for the Landlord to demand payment of sums due.

(13) CONFORMITY WITH LAW

The Tenant shall at his own cost and expense promptly conform to any laws, regulations, orders or ordinances of the municipal, provincial and federal authorities or of any department or division thereof, and of any governmental authority having jurisdiction on the leased premises, the use of the leased premises by the Tenant or the business carried by the Tenant therein. The landlord gives the premises to the tenant in "as-is" "where-is" bases and all changes and modifications are the responsibility of the tenant.

(14) OPTION OF RENEWAL

Option negotiated of
with same lease conditions with increases as per clause 3. Tenant must confirm option in writing to renewals@jrbldings.com before the last 6 months of the last year of the present term.

(15) REGULATIONS CONCERNING THE BUILDINGS

The Landlord may at any time enact or modify rules and regulations concerning the building, which may be desirable in the sole option of the Landlord, for the security, maintenance, cleanliness or operation of the building, the leased premises and accessories thereto. All such rules and regulations shall be complied with by the Tenant, providing same are reasonable and tenant has received prior written notice.

(16) SPECIAL CLAUSES

(a) If during the term of this lease the leased premises or any other property of the Landlord essential to the Tenant's occupation of the leased premises are totally or partially destroyed or damaged by fire or by other hazardous cause so as to make the leased premises or said other property of the Landlord incapable of being repaired within a period of one hundred and twenty days (120) from the date of such destruction or damage, then the Landlord may consider the present lease as terminated and the Tenant shall immediately surrender the leased premises and all interest therein to the Landlord and shall continue to pay rent.

(b) For no reason or cause whatsoever shall this lease be renewed by tacit or verbal renewal, the Tenant hereby renouncing to such renewal.

(c) Should the Tenant abandon the leased premises prior to the expiry of the present lease, or fail to make on their respective due dates any of the monthly installments which are due and eligible or fail to pay any other sum due to the Landlord plus interest, or should he not observe and perform any and all charges, terms and conditions herein contained in this lease within ten (10) days of the due date or should he make a general assignment of his assets for the benefit of his creditors or be declared bankrupt, the present lease shall automatically and "IPSO FACTO" be terminated at the option of the Landlord and the Landlord shall be entitled to immediately take possession of the leased premises and lease the same for his own benefit without prejudice to his rights and recourses against the Tenant for rental due or becoming due under the lease, for any other sum due and for any damages.

(d) The Tenant elects domicile, for purposes of the presents at his last known address. Failing any address in Quebec, the Tenant elects domicile at the office of the Protonotary of the Superior Court of the District of Montreal.

(e) If landlord should sell the building, the new landlord / owner shall have full rights to continue with the existing lease. The new landlord has all rights to renegotiate or cancel existing lease, as they shall see fit. If new conditions for the lease cannot be arranged, the landlord will give the tenant 90 days to vacate the premises in which the tenant is still bound to respect the current lease and pay all

monies on time until new end date as stipulated by the new landlord.

The tenant shall pay the rental in the way that the landlord has arranged. The new tenant shall provide a void check to the landlord previous to taking possession of the premises and sign whatever is necessary to facilitate payment of the rental

(17) SUCCESSORS AND ASSIGNS

That this Agreement shall ensure to the benefit and be binding upon and enforceable against the Parties hereto and there respective successors and assigns.

(18) LAW TO GOVERN

That this Agreement has been delivered in and shall be governed by and enforced in accordance with the laws of Quebec.

(19) MAINTENANCE OF HVAC SYSTEMS

The TENANT shall be responsible for supplying its own hot water, heating and air-conditioning and the TENANT shall be responsible for and in addition to any expenses hereinabove mentioned for all expenses incurred in the operation maintenance, repair or replacement of its air conditioning, heating and ventilation equipment and must at all times maintain them in a fit and proper condition; Tennant shall maintain a service contract for all mechanical systems.

(20) DEFAULTS

(a) Without prejudice to all of the rights and recourse available to the LANDLORD, the following shall be considered special defaults under the terms of this Lease:

(b) Lease providing for the payment of rent or additional rent and after ten (10) days written notice specifying such default shall have been given to the TENANT by the LANDLORD;

(c) In the event that the TENANT shall be adjudicated a bankrupt or make any general assignment for the benefit of it's creditors, or take or attempt to take, the benefit of any insolvency shall be granted against the TENANT or if a receiver or trustee be appointed to the property of the TENANT or any part thereof or any execution be issued pursuant to a final judgment, rendered against the TENANT or pursuant to this lease, or if the estate of the TENANT hereunder be transferred or pass to or devolve upon any other person or corporation by operation of law or if the TENANT abandons the premises or if they are vacant or unattended for more than ten (10) days, or occupied by persons other than the TENANT without the LANDLORD'S written consent; or

(d) In the event that the TENANT shall be in default in observing any covenant therein contained and/or performing any of its obligations contained in this Lease (other than a default in the payment of rent or additional rent) and such default shall continue fifteen (15) days after written notice specifying such default shall have been given to the TENANT by the LANDLORD.

(e) In the event of any special default under the terms of this Lease, the LANDLORD without prejudice to any rights or remedies it may have hereunder or by law shall have the right to terminate this Lease forthwith upon written notice given to the TENANT by the LANDLORD. The TENANT upon ten (10) days such a termination of this Lease shall thereupon quit and surrender the Leased Premises to the LANDLORD and the LANDLORD, its agents and servants, may immediately or at any time thereafter, re-enter the Leased Premises and dispossess the TENANT and remove any and all persons and any or all property thereof whether by summary dispossession proceedings or by any suitable action or proceeding at law, or otherwise without being liable to prosecution or damages thereof.

(f) In case of any special default or in the event of termination pursuant to same, or in case the TENANT in the absence of such termination, shall be dispossessed by or at the instance of the LANDLORD in any lawful manner, whether by force or otherwise, rent for the then current month and for the three months next succeeding the date of such special default, termination or dispossession shall immediately become due and

payable (as accelerated rent) and this Lease shall immediately, at the option of the LANDLORD, become forfeited and terminated, and the LANDLORD may, without notice or any form of legal process, forthwith re-enter upon and take possession of the Leased Premises and remove the TENANTS effects therefrom, the whole without prejudice to and under reserve of all of the rights and recourse of the LANDLORD to claim any and all losses and damages sustained by the LANDLORD by reason and arising from any default of the TENANT.

(21) IMMOVABLES AND LEASEHOLD IMPROVEMENTS

In the event that as a result of the TENANT failure to execute any of its obligations under the present Lease, the LANDLORD elects to cancel this Lease. The LANDLORD shall, at its option, and in compensation of the overhead cost that may have been incurred by it in contemplation of this Lease, ipso facto and automatically become the absolute owner of any and all movables then situated within the premises, as well as any leasehold improvements which may have been effected either by the TENANT or which the TENANT may have found on the premises at the commencement of the term, the whole without prejudice to and in addition to such other rights, remedies or recourse as the LANDLORD may have hereunder or otherwise. For this purpose, the TENANT hereby transfers and conveys to the LANDLORD ownership of such movables and leasehold improvements, to take effects, with effect retroactive to the present date, on the date on which the LANDLORD indicates it`s intention to exercise its present right. As of such date, the LANDLORD, Shall notwithstanding any law to the contrary, have the right to enter into and take possession of the premises and change the locks thereof.

(22) EXPENSES

The TENANT shall pay the cost of these presents as well as any legal fees and disbursements as a result of the negotiation and/or collection of the terms of this LEASE. Any NSF cheque must be replaced immediately with a \$75 surcharge.

(23) REGISTRATION

The TENANT shall not register this Lease otherwise than by memorial. Upon the termination of this Lease, the TENANT shall radiate at its expense the registration of such memorial, the TENANT hereby expressly and irrevocably appointing the LANDLORD as attorney for the TENANT with full power and authority to radiate such memorial and to execute and deliver in the name of the TENANT any instruments or certificates required for such purpose. The TENANT undertakes to forthwith sign and deliver to the LANDLORD any further Power of Attorney or document which the LANDLORD may require to confirm the foregoing

(24) LANGUAGE / LANGUE

That the Parties hereto have requested that this Agreement be prepared in the English language. / Les Parties aux présentes ont demandé que la présente entente soit rédigée dans la langue anglaise.

SIGNATURE PAGE

| | | |
|--------------------------------|-------------------|---------------|
| _____ _____/_____ TENANT | _____ LOCATION | _____ DATE |
|--------------------------------|-------------------|---------------|

| | | | |
|-----------|----------|------|-------|
| ____/____ | ____ | ____ | ____/ |
| TENANT | LOCATION | DATE | |

| | | | |
|-----------|----------|------|-------|
| ____/____ | ____ | ____ | ____/ |
| TENANT | LOCATION | DATE | |

| | | | |
|-------------------|----------|------|-------|
| ____/____ | ____ | ____ | ____/ |
| LANDLORD | LOCATION | DATE | |
| Jordan Rosenzweig | | | |

| | | |
|--------------|----------|------|
| ____ | ____ | ____ |
| WITNESS NAME | LOCATION | |

| | |
|-------------------|----------------|
| ____ | ____/____/____ |
| WITNESS SIGNATURE | DATE |