



THE CORPORATION OF THE CITY OF BRAMPTON

BY-LAW

Number 407-2007

To authorize the execution of Lease Agreements with Learning Disabilities of North Peel, Elizabeth Chan and Trillium Health Centre at the Civic Centre

WHEREAS Learning Disabilities of North, Elizabeth Chan and Trillium Health Centre are existing tenants at the Civic Centre and have expressed their desire to enter into new Lease Agreements;

AND WHEREAS entering into new Lease Agreements with these three tenants does not interfere with the recapturing of space at the Civic Centre by the City for its own use;

AND WHEREAS it is deemed expedient and in the interest of The Corporation of the City of Brampton to enter into Lease Agreements with Learning Disabilities of North, Elizabeth Chan and Trillium Health Centre;

NOW THEREFORE the Council of The Corporation of the City of Brampton **ENACTS AS FOLLOWS:**

1. That the Mayor and City Clerk be authorized to execute, commercial lease agreements with Learning Disability Association of North Peel, Trillium Health Centre and Elizabeth Chan at current market rent for their continuing lease of space at 150 Central Park Drive. The lease agreements shall be on terms and conditions acceptable to the Director of Physical Plant and Real Property Services, and in a form acceptable to the City Solicitor.

READ a FIRST, SECOND and THIRD TIME and PASSED in Open Council this 12th day of December, 2007.

Approved as to content (MAS Dept.) <i>Nov 22 / 07</i>

Approved as to form (Legal Dept.) <i>Nov 22 / 07</i>
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 SUSAN FENNELL MAYOR	 KATHRYN ZAMMIT CITY CLERK
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Management & Administrative Services

Date: February 26, 2008

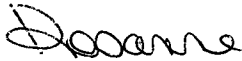
To: Clerk's Office (original)
Dan McLaughlin (original)

From: Rosanne Reda, Realty Services

Subject: Lease Renewal Agreement with Elizabeth Chan
Civic Centre, Ste. 105
Our File No. L16CC.105

Attached, for your records, is a copy of the above-referenced Agreement.

Thank You,



Rosanne Reda,
Realty Services
City of Brampton
905-874-2869

LEASE RENEWAL AGREEMENT

made this 24th day of January, 2008.

BETWEEN

THE CORPORATION OF THE CITY OF BRAMPTON
hereinafter called the "Lessor"

- and -

ELIZABETH CHAN
hereinafter called the "Lessee"

WHEREAS by a certain Lease Agreement made the 1ST day of January, 2007, (hereinafter called the "Lease"), the Lessor did demise and lease unto the Lessee, Suite 105, comprising a Gross Leasable Area of approximately six hundred and twenty six (626) square feet, which includes the Lessee's proportionate share of the common area of the building being 38 square feet, (hereinafter called the "Premises"), in the building commonly known as the Civic Centre and having a municipal address of 150 Central Park Drive, Brampton, Ontario, for a term ending on the 31st day of December, 2007.

AND WHEREAS the Lessee wishes to exercise its first renewal option for a one (1) year period, pursuant to Section 5.1 of the Lease;

WITNESSTH THEREFORE, in consideration of the sum of two dollars (\$2.00) paid by each to the other in hand, sufficiency and receipt of which is hereby acknowledged, the Lessor and the Lessee agree as follows:

(1) DEMISE/TERM

The Lessor hereby demises and leases unto the Lessee the Premises for an additional term of one (1) year commencing on the first (1st) day of January, 2008, and ending on the thirty-first (31st) day of December, 2008, with one further renewal option remaining under the Lease.

(2) RENT

Yielding and paying unto the said Lessor, at a **GROSS RENT** for the first renewal term (being January 1, 2008 to December 31, 2008) of thirteen thousand three hundred and fourteen dollars and fifty cents (\$13,314.50), plus GST, payable in advance in equal monthly installments of one thousand one hundred and nine dollars and fifty four cents (\$1,109.54) plus GST.

(3) GENERAL

Except as specifically modified by this Agreement, the same terms and conditions as are contained in the Lease shall apply to this Lease Renewal Agreement.

IN WITNESS WHEREOF the Lessor has executed this Lease Renewal Agreement by the hands of its proper signing authorities at Brampton, Ontario on the day of February, 2008.

Authorization
By-Law No.
407-2007

Approved
as to form.
Law Dept.
[Signature]
Feb 21/08

Approved
as to content
MAS. Dept.
[Signature]
Jan 25/08

THE CORPORATION OF
THE CITY OF BRAMPTON

[Signature]
Susan Fennell Mayor

[Signature]
Kathryn Zammit Clerk

The Lessee has executed this Lease Renewal Agreement at Brampton, Ontario
on the 12th day of February, 2008.

[Signature]
Witness DR RAYMOND CHAN

[Signature]
Elizabeth Chan

Date: January 29, 2008

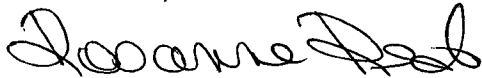
To: Clerk's Office (original)
Dan McLaughlin (copy)
Jeff Lane (copy)

From: Rosanne Reda, Realty Services

Subject: Lease with Trillium Health Centre
Civic Centre, Suite 115
Our File No. L16CC.115

Attached, for your records, is a copy of the above-referenced Agreement.

Thank You,



Rosanne Reda,
Realty Services
City of Brampton
905-874-2869

RECEIVED
CLERK'S DEPT.

JAN 31 2008

REG NO. _____
FILE No. _____

LEASE AGREEMENT

BETWEEN

THE CORPORATION OF THE CITY OF BRAMPTON
(the "Landlord")
OF THE FIRST PART

-and-

TRILLIUM HEALTH CENTRE
(the "Tenant")
OF THE SECOND PART

LEASE

THIS LEASE is made in quadruplicate and effective as of this 1st day of August, 2007 (the "Lease")

BETWEEN

THE CORPORATION OF THE CITY OF BRAMPTON
(the "Landlord")
OF THE FIRST PART

-and-

TRILLIUM HEALTH CENTRE
(the "Tenant")
OF THE SECOND PART

File: L16CC 115

WHEREAS the Landlord is the owner of 150 Central Park Drive, Brampton Ontario;

AND WHEREAS the Tenant has previously entered into a Lease with the Landlord dated effective February 7th, 2003, and which expired on November 30th, 2004, with no further option to renew;

AND WHEREAS the Tenant has been over holding as a month-to-month Tenant; and

AND WHEREAS the Tenant wishes to enter into a new Lease for Unit 115.

NOW THEREFORE this Lease witnesses that in consideration of the obligations hereinafter provided, and the sum of \$2.00, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

ARTICLE 1 DEFINITIONS

1.1 Definitions

- (a) "Additional Rent" means any and all sums of money or charges required to be paid by the Tenant under this Lease (except Rent) whether or not the same are designated "Additional Rent" or whether or not the same are payable to the Landlord or otherwise, and all such sums are payable in lawful money of Canada without any deduction, set-off or abatement whatsoever, unless otherwise provided for in this Lease. Additional Rent is payable with the Rent, in advance, on the first day of each month in advance.
- (b) "Building" means that building owned by the Landlord upon the Land, defined in Section 1.1(f), and every enlargement, amendment or reduction thereof or addition thereto and of which the Demised Premises, defined in Section 1.1(d), forms a part; and includes the Common Facilities, defined in Section 1.1(c), structures, fixtures, heating, ventilation, air-conditioning, sprinkler and mechanical and electrical equipment and machinery, and water, gas, sewage, telephone and other communications facilities and electrical power services and utilities comprised therein, belonging thereto, connected therewith or used in the operation thereof and now or hereafter constructed, erected and installed therein and thereon, but excludes all non-Leasehold Improvements made, constructed, erected or installed by or on behalf of any tenant or occupant of premises therein.

- (c) "Common Facilities" means any common areas, facilities and utilities from time to time furnished or designated by the Landlord (as the same from time to time may be altered, reconstructed, reduced or expanded) in the Building for the general use or benefit in common in such manner as the Landlord may permit, of Tenants and/or occupants of premises in the Building and all others entitled thereto and now or hereafter developed or designated by the Landlord, including, without limiting the generality of the foregoing, all mechanical, sprinkler and electrical equipment and machinery and water, gas, sewage, and other communications infrastructure and electric power services and utilities (not comprised within any leasable premises in the Building for the exclusive use of such premises), and also including parking area and parking structures, access roads, driveways, entrances and exits, sidewalks, ramps, landscaped areas, exterior irrigation systems, delivery areas, mechanical and electrical rooms, any common washrooms, garbage and recycling facilities; Common Facilities also includes the roof, exterior weather walls, exterior and interior structural elements and bearing walls in the Buildings;
- (d) "Demised Premises" means the premises comprising a Gross Leasable Area of approximately five hundred and eighty square feet (580 sq.ft), as shown in bold outline on Schedule "A" attached hereto, in accordance with Section 3.1 of this Lease. Included in this is the Lessee's proportionate share of the common area of the Building being thirty -five square feet (35 sq.ft).
- (e) "Gross Leasable Area" means the area of any leasable portion of the Building including the Demised Premises calculated in accordance with Section 3.1. Gross Leasable Area of any premises includes all interior space whether or not occupied by projections, structures, stairs or columns, structural or non-structural;
- (f) "Land" means that certain parcel or tract of land on which the Building is located and which together with the Building is known municipally as 150 Central Park Drive, Brampton, Ontario.
- (g) "Landlord" includes the Landlord and its successors and assigns;
- (h) "Lease Commencement Date" means the date set out in section 4.1 as signifying the commencement of the Term;
- (i) "Lease Year" means a period of time, the first Lease Year commencing on the Lease Commencement Date and ending on the last day of the twelfth month thereafter. Each subsequent Lease Year commences on the first day following the expiration of the preceding Lease Year and terminates on the expiration of twelve (12) months thereafter or on the termination of this Lease;
- (j) "Leasehold Improvements" means all fixtures (including all light fixtures), improvements, installations, alterations and additions from time to time permanently affixed to or attached to the Demised Premises, including all partitions however affixed and all carpeting and floor coverings affixed in any way to the Demised Premises, lighting tracks, ballasts, and the grill and other security or locking device securing the Demised Premises, but specifically excludes all chattels or other movable trade fixtures, furniture and equipment not otherwise permanently affixed or attached to the Demised Premises;
- (k) "Real Property Taxes" means all real estate taxes, local improvement rates, school taxes, levies, rates, duties, assessments and charges from time to time imposed against the Building, buildings structures and improvements by

municipal or other governmental authorities having jurisdiction, and all taxes, levies, rates, duties, assessments and charges which may at any time be substituted therefore or replace the same and includes the cost of all appeals of any assessment or levy made against the Building or any part thereof. Real Property Taxes and Capital Taxes shall not include Landlord's income taxes;

- (l) "Rent" includes all sums payable by the Tenant under this Lease except Additional Rent and exclusive of applicable GST, which is to be calculated separately;
- (m) "Stipulated Rate of Interest" means the prime lending rate for commercial customers as established by the Landlord's bank from time to time plus two (2%) percent;
- (n) "Tenant" includes the Tenant and its successors and permitted assigns;

ARTICLE 2 INTENT AND INTERPRETATION

- 2.1. **Net Lease:** The Tenant acknowledges and agrees that (a) it is intended that this Lease is completely carefree to the Landlord, except as expressly herein set out, and that the Landlord shall not be responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Demised Premises, the contents, the use or occupancy thereof, or the business carried on therein, unless otherwise indicated in this Lease, and (b) the Tenant shall pay all charges, impositions, costs and expenses of every nature and kind, extraordinary as well as ordinary and foreseen as well as unforeseen, relating to the Demised Premises, the contents, the use or occupancy thereof, or the business carried on therein, and (c) any amount and any obligation which is not expressly declared in this Lease to be the responsibility of the Landlord shall be the responsibility of the Tenant to be paid or performed by or at the Tenant's expense in accordance with the terms of this Lease.
- 2.2. **Obligations as Covenants:** Each obligation or agreement of the Landlord or the Tenant expressed in this Lease, even though not expressed as a covenant, is considered to be a covenant for all purposes.
- 2.3. **Headings:** The headings introducing sections and articles in this Lease are inserted for convenience of reference only and in no way define, limit, construe or describe the scope or intent of such sections or articles.

ARTICLE 3 DEMISE

- 3.1 **Demised Premises:** The Landlord hereby demises and leases the Demised Premises to the Tenant and the Tenant hereby leases the Demised Premises from the Landlord, at the Rent, subject to the conditions, and in accordance with the covenants, obligations and agreements contained in this Lease.

The boundaries of the Demised Premises, as shown on Schedule "A" attached hereto, extend:

- (a) to the exterior face of all exterior walls, doors and windows;

- (b) to the exterior face of all interior walls, doors and windows separating the Demised Premises from the Common Facilities, if any; and
- (c) to the centre line of all interior walls separating the Demised Premises from adjoining premises; and
- (d) from the top surface of the structural subfloor to the bottom surface of the structural ceiling.

3.2 **Condition of Demised Premises:** The Tenant has inspected and accepts the condition of the Demised Premises as of the date of the commencement of the Term. The Tenant acknowledges that the Premises will be subject to a yearly inspection and a final inspection, prior to the expiration of the term, in accordance with the provisions of Section 15.2.

3.3 **Common Facilities:** The use and occupation by the Tenant of the Demised Premises includes the non-exclusive and non-transferable licence to use, in common with others entitled thereto, and for the purposes for which they are intended and during such hours as the Building may be open for business, as determined by the Landlord from time to time, the Common Facilities provided by the Landlord from time to time, subject in each case, to the provisions of this Lease and to the reasonable rules and regulations for the use thereof as prescribed in writing and delivered to the Tenant from time to time by the Landlord. The Building and the Common Facilities and such other area, facilities, utilities and improvements provided by the Landlord from time to time for the general use, in common, of tenants, are at all times subject to the exclusive control and management of the Landlord. Without limiting the generality of the foregoing, the Landlord has the right, in its control, management and operation of the Building at all times throughout the Term to:

- (a) grant, modify and terminate easements or other agreements pertaining to the use and maintenance of all or any parts of the Building;
- (b) on fourteen (14) days written notice to the Tenant, temporarily close-off all or any part of the Building for the purpose of maintenance or repair or for the purpose of security or when only a portion or portions of the Building are operating so long as such closing off does not unreasonably interfere with access to or from the Demised Premises, except in the case of emergencies, as indicated in clause 15.5;
- (c) use any part of the Building, from time to time, for merchandising, display, decorations, entertainment and structures designed for special features or promotional activities, provided such use does not interfere with access to or from the Demised Premises;
- (d) designate the area and entrances and the time in, through and at which loading and unloading of goods shall be done;
- (e) designate and specify the kind of container to be used for garbage, recycling and refuse and the manner and the times and places at which same is to be placed for collection, the initial purchasing costs of which shall be paid by the Landlord (any replacement containers due to damage or theft shall be the responsibility of the Tenant);
- (f) from time to time, change the area, arrangement or use of the Building or any part thereof provided such change in the area, arrangement or use does not materially interfere with the Tenant's use or access to or from the Demised Premises;

- (g) to grant to the Tenant an exclusive right to use the Common Area, located outside the front of the theater, and as shown on Schedule B, as available, for a maximum of five (5) days, up to two times a year, in which to promote their business. This may include the setting up of an information booth, or tables for the purpose of fundraising. The Tenant must schedule and obtain approval for such dates and times through the Property Manager's office, sixty (60) days prior to the event, in advance;
- (h) do and perform such other acts in and to the Building, as in the use of good business judgment, the Landlord determines to be advisable and not detrimental to the operations of the Tenant.

Notwithstanding anything in this Lease contained, it is understood and agreed that if by exercising rights set out in this Section 3.2, the Common Facilities are diminished or altered in any manner whatsoever, the Landlord is not subject to any liability nor is the Tenant entitled to any compensation or diminution or abatement of Rent, nor shall the exercise by the Landlord of such rights be deemed constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease.

3.4 **Rules and Regulations:** Rules and Regulations: The Rules and Regulations adopted and promulgated by the Landlord from time to time, provided same are reasonable, are hereby made a part of this Lease as if they were embodied herein, and the Tenant shall comply with and observe them. The Rules and Regulations existing as at the Commencement Date are those set out in Schedule "C" attached hereto. The Landlord reserves the right from time to time to amend, supplement, suspend or cancel any or all of the Rules and Regulations applicable to the Demised Premises or the Building. The Rules and Regulations may differentiate between different types of businesses. Notice of the Rules and Regulations and amendments and supplements, if any, shall be given to the Tenant and the Tenant shall thereupon comply with and observe all such Rules and Regulations. If any such Rules and Regulations conflict with any provision of this Lease, the Landlord may apply whichever it deems to be more appropriate for the best interest of the safety and operation of the Demised Premises, Building and Land. The Landlord shall not be liable or responsible to the Tenant for the non observance or violation of any such Rules and Regulations or of any of the terms, covenants or conditions of any other lease of premises within the Building and shall be under no obligation to enforce any such Rules and Regulations or terms, however, the Landlord shall not be negligent in its enforcement of such Rules and Regulations.

3.5 **Utilities:** The Landlord and any agency (whether governmental or otherwise) owning or operating a public utility as that term is defined in the *Public Utilities Act*, R.S.O. 1990, c. P.52, as amended, and any agency (whether governmental or otherwise) owning or operating a public utility for electrical power or energy and their respective successors and assigns shall have the right:

- (a) to install, maintain, repair, replace, reconstruct, enlarge, inspect or test any pipes, cable, meters or other plant whatsoever on, under or adjacent to the Demised Premises as part of, appurtenant to or in connection with any such public utility, and
- (b) by their respective officers, employees, agents and contractors, to enter upon the Demised Premises, with or without all necessary or convenient gear and equipment, for the purposes set out in 3.4 (a) hereof.

ARTICLE 4 TERM

- 4.1 **Term:** The Tenant shall have and hold the Demised Premises for and during the Term which shall be, unless sooner terminated pursuant to the other provisions of this Lease, the period of one (1) year, commencing on the 1st day of August, 2007 (the "Lease Commencement Date") and to be fully completed and ended on the 31st day of July, 2008 (the "Term").
- 4.2 **Early Termination:** Provided that the Tenant is not in default and has not assigned or sublet its interest in accordance with this Lease and is then occupying all of the Demised Premises, the Tenant shall have the option of terminating this Lease without penalty effective on any annual anniversary date of the Lease Commencement Date, provided that the Tenant provides the Landlord with at least three (3) months prior written notice of its intention to do so.
- 4.3 **Liability on Termination:** The termination of this Lease by expiry or otherwise shall not affect the liability of the Tenant to the Landlord for any obligation under this Lease which has accrued up to the date of such termination, but has not been properly satisfied or discharged.

ARTICLE 5 RENEWAL

- 5.1 **Option to Renew:** The Tenant, when not in default, shall have the option of renewing the within Lease for two (2) additional Terms of one(1) year (the "Renewal Term") upon the expiration of the Term, provided that the Tenant shall give to the Landlord notice in writing of the exercise of such option at least three (3) months prior to the expiration of the Term, but such written notice may not and shall not be given earlier than twelve (12) months prior to the expiration of the Term. The Tenant may only apply such option to renew, provided that the Tenant has not been in default throughout the Term and provided the Tenant is not in default of the Lease at the time it provides notice that it would like to renew, unless the Landlord, in its sole discretion, waives such default for the purposes of the renewal. In the event that the Tenant exercise the option as aforesaid, then the Renewal Term shall be upon the same terms and conditions as contained in this Lease save and except that:
- (a) there shall be no additional option to renew;
 - (b) with respect to such Renewal Term, the Landlord shall have no obligation to pay to the Tenant any Tenant's allowance, or inducement to the Tenant (including without limitation any rent free period), or to do or perform any work in, on to or for the Demised Premises; and
 - (c) the Rent in the Renewal Term shall be the fair market rent for the Demised Premises as at the date the option to renew is exercised. If the parties are unable to agree as to fair market rent for the Renewal Term, then fair market rent shall be determined by arbitration pursuant to the *Arbitration Act, 1991*, S.O. 1991, c. 17, as amended, with the cost of such arbitration to be borne equally by the parties.

**ARTICLE 6
RENT**

6.1 **Rent:** The Tenant shall pay to the Landlord in lawful money of Canada, and without deduction, abatement or set-off, the following Rent for the Demised Premises:

(a) at a **GROSS RENT** for the first year of the term (being August 1, 2007 to July 31, 2008) of eleven thousand five hundred and thirty six dollars and twenty cents (\$11,536.20) plus G.S.T. payable in advance in equal monthly installments of nine hundred and sixty one dollars and thirty five cents (\$961.35) plus G.S.T.

(b) At a **GROSS RENT** for the second and third year renewal terms in accordance with the following table:

Renewal Term	Time Period	RENT (G.S.T. additional)
2	Aug 02/08 –Jul.31/09	\$ 11,536.20 per annum, plus percentage increase in CPI from August 2007 to July 2008
3	Aug.01/09–Jul.31/10	\$ 11,536.20 per annum, plus percentage increase in CPI from August 2007 to July 2009

Rent payments and applicable GST are due on the first (1st) day of each month.

**ARTICLE 7
PAYMENT OF RENT**

7.1 **Covenant to Pay Rent:** The Tenant covenants to pay Rent. The Tenant waives the benefit of Section 35 of the *Commercial Tenancies Act*, R.S.O. 1990, c.L.7, as amended, or any statute that may be substituted therefore, and agrees to pay Rent without any deduction, abatement or set-off whatever. Rent payments and applicable GST are due on the first (1st) day of each month.

7.2 **Arrears of Rent:** All Rent in arrears shall bear interest at the Stipulated Rate of Interest from the date on which the same became due until the date of payment thereof.

**ARTICLE 8
TAXES, CHARGES, ETC.**

8.1 **Property Taxes Payable by Tenant**

(a) The Tenant shall pay as Additional Rent directly to the Landlord the Tenant's share of Real Property Taxes as determined pursuant to this Section.

(b) The Tenant's share of Real Property Taxes shall be the portion of the Real Property Taxes that are attributable to the Demised Premises, as determined by the Landlord, acting reasonably. Without limiting the foregoing, the following provisions shall apply:

- (i) the Landlord shall be entitled, but not obligated, to allocate Real Property Taxes amongst categories of premises in the Building on the basis of such factors as the Landlord determines to be relevant and to adjust the Tenant's share of Real Property Taxes based on such allocation;
- (ii) if there are separate assessments (or, in lieu of separate assessments, calculations made by authorities having jurisdiction from which separate assessments may, in the Landlord's opinion, be readily determined) for the Premises for Real Property Taxes, the Landlord may have regard thereto;
- (iii) nothing herein shall compel or require the Landlord to adjust, continue to adjust or to make the same determination or allocation of Real Property Taxes from year to year or in any fiscal year; and
- (iv) for the purposes of determining the share of Real Property Taxes payable by the Tenant pursuant to this Lease, Real Property Taxes shall include such additional amounts as would have formed part of Real Property Taxes had the Building been fully assessed during the whole of the relevant fiscal year as fully completed and fully occupied by tenants, with no special exemptions or reductions, and without taking into account any actual or potential reduction of Property Taxes or change of assessment category or class for premises within the Building which are vacant or underutilized.

8.2 Charges and Terms for Utilities:

- (a) The Landlord shall be responsible for payment of the total cost (including any penalties and interest) of supplying water, fuel, power and other utilities (the "Utilities") used or consumed in or with respect to the Demised Premises and the cost of any other utility charges levied or assessed against the Demised Premises in lieu of or in addition to such Utilities.
- (b) Notwithstanding clause 8.2(a) of this Lease, in the event of any consumption of water or natural gas either by reason of the character of the business carried on by the Tenant or by the use of mechanical or other contrivances, the quantity of which is deemed abnormal by the Landlord, the Tenant consents to the installation of a water or natural gas meter at the Tenant's reasonable expense and in a location agreed to by the Landlord and the Tenant, and the Tenant further agrees to pay for the excess water or natural gas consumed on the Demised Premises as Additional Rent.
- (c) In no event is the Landlord liable for, nor has the Landlord any obligation with respect to an interruption or cessation of or a failure in the supply of any such Utilities, services or systems in, to or serving the Building or the Demised Premises, whether or not supplied by the Landlord or other, unless such interruption or cessation is caused by the negligent act or negligent omission of the Landlord or those for whom the Landlord is responsible in law.

8.3 Heating, Ventilating and Air-conditioning: Throughout the Term, the heating, ventilating and air-conditioning equipment within and serving the Demised Premises, shall be used, controlled and maintained in accordance with the Maintenance and Repair Obligations schedule (Schedule C) to this Agreement. If the Tenant fails to comply with such stipulations and rules and regulations and/or any of its obligations in such schedule, within fifteen (15) days following receipt of a written notice to comply, the Landlord shall be entitled to take such steps as it deems advisable to correct such default (including, without limitation,

entering upon the Demised Premises and assuming control of such equipment), without liability to the Tenant, and the Tenant will pay to the Landlord forthwith upon demand as Additional Rent all reasonable costs and expenses incurred by the Landlord in so doing.

- 8.4 **Audit:** The Tenant shall provide such information as to the Tenant's or any indemnitor's financial standing and corporate organization as the Landlord requests (either audited or not, at the Landlord's discretion), at the Tenant's expense, within seven (7) calendar days of receipt of such request. The Tenant also agrees to make all of its books and records available for review by the Landlord and/or its auditor upon seven (7) calendar days notice.

ARTICLE 9 USE OF DEMISED PREMISES

- 9.1. **Use:** The Tenant shall use the Demised Premises solely for the purpose of office administration space as well as the for the provision of family-centred counselling (no medically related services provided) to families of infants and young children with developmental risks who live in the Regional Municipality of Peel. The Tenant will not use or permit, or suffer the use of the Demised Premises or any part thereof for any other business or purpose, without the prior written consent of the Landlord.

- 9.2 **Conduct of Tenant's Use:** In the conduct by the Tenant of its use in Section 9.1 at the Demised Premises, the following provisions apply.

- (a) The Tenant shall operate its said business in a lawful manner seven (7) days per week between the hours of 8:00 am, to 9:00 p.m., or as otherwise determined by the Tenant, including additional hours for custodial services.
- (b) The Tenant shall maintain an appropriate level of lighting for the Demised Premises during the hours that the Demised Premises are in use.
- (c) The Tenant shall not do, nor suffer or permit to be done, any act in or about the Common Facilities or the Building which, in the Landlord's reasonable opinion, hinders or interrupts the flow of traffic to, in and from the Building and not do nor suffer or permit anything to be done which, in the Landlord's opinion acting reasonably, in any way obstructs the free movement of any person doing business in the Building with any tenant or occupant of the Building.
- (d) The Tenant shall not, nor shall it suffer or permit its employees or agents to, solicit business in any of the Common Facilities, nor display any merchandise elsewhere within the Building outside the Demised Premises at any time without the prior written consent of the Landlord.
- (i) The Tenant shall not use any loudspeakers, television, phonographs, radios or other devices in a manner so that they can be heard or seen outside of the Demised Premises without the prior written consent of the Landlord.
- (j) The Tenant shall not permit any odors, gases, dust, smoke, fumes, vapors, steam, water, cinders, soot, vibrations, noises or other undesirable effects to emanate from the Demised Premises or any equipment, system, facility or installation therein which, in the Landlord's reasonable opinion, are objectionable or cause any interference with the safety, comfort or convenience of the Landlord or any tenants or occupants of the Building or

their customers or invitees, or do or suffer any act or thing which may materially disturb the quiet enjoyment of any occupant of the Building, or of any part of the Building, or which may result in a nuisance. If the Tenant is in default of any of the foregoing, the Landlord shall have the right to inform the Tenant in writing, its manager, or any other person apparently in charge of the Demised Premises of the matter, whereupon the Tenant shall take such steps as are necessary to cure any such default and complete such remedial work as is reasonably requested by the Landlord within a reasonable amount of time given the nature of the work required.

- (k) The Tenant shall keep the Demised Premises in a clean and well-ordered condition, to the satisfaction of the Manager of Realty Services.
- (l) The Tenant shall not keep or store or place or permit to be kept, accumulated, stored or placed any waste or refuse upon the Demised Premises, the Building or the Land.
- (m) The Tenant shall adhere to speed limit and directional signs in the parking lot and access routes on the Lands, and shall not block loading dock or access areas.
- (n) The Tenant shall not park, keep or locate on the parking area within the Common Facilities any trailers or other vehicles (particularly those bearing advertising information) except in the bona fide course of deliveries or pick-ups being made to or from the Demised Premises for the purpose of the Tenant carrying on its business.
- (o) The Tenant shall not knowingly park nor permit or suffer to be parked any motor vehicle overnight anywhere on the Land.
- (p) The Tenant shall not cause, permit or suffer any machines selling merchandise or vending services, including vending machines and machines operated by coins, credit cards or otherwise, to be present in the Demised Premises, unless expressly permitted by this Lease or in writing by the Landlord, such consent not to be unreasonably withheld or delayed.
- (q) The Tenant shall not have or permit to be or suffer on the Demised Premises any machines providing arcade type entertainment, whether operated by coins, credit cards or otherwise, unless expressly permitted by this Lease or in writing by the Landlord.
- (r) Any business conduct or practice promulgated, carried on or maintained by the Tenant, whether through advertising or selling procedures or otherwise, which in the opinion of the Landlord, acting reasonably, may harm or tend to harm the business or reputation of the Landlord or reflect unfavorably on the Building, the Landlord or other tenants in the Building, or which may confuse, mislead, deceive or be fraudulent to the public, shall be immediately discontinued by the Tenant following the written request of the Landlord.
- (s) Upon termination of the tenancy, the Tenant shall, at its own risk and expense, remove from the Demised Premises, any chattels (and other moveable trade fixtures, furniture and equipment) belonging to it, and repair any damage caused by such removal, and leave the Demised Premises clean, level, neat, and free of all waste material, debris and rubbish, all to the satisfaction of the Manager of Realty Services.

ARTICLE 10
CONSTRUCTION, ALTERATIONS, SIGNS & ADVERTISING

10.1 The Landlord's Approval of the Tenant's Alterations:

- (a) The Tenant shall not make, or permit to be made, any Leasehold Improvements to, in, or for the Demised Premises or any part thereof without, in each instance, first obtaining the Landlord's written approval thereto, which consent will not be unreasonably withheld or delayed. Prior to commencing any such Leasehold Improvements, the Tenant shall submit to the Landlord:
 - (i) details of the proposed Leasehold Improvements including detailed drawings and specifications prepared at the Tenant's expense;
 - (ii) evidence satisfactory to the Landlord that the Tenant has obtained, at the Tenant's expense, all necessary consents, permits, clearances, licences and inspections from all governmental and regulatory authorities having jurisdiction, and
 - (iii) evidence of such increases in Insurance as the Landlord requires in writing. The Tenant shall perform, or cause such Leasehold Improvements to be performed.
- (b) The Tenant shall make or cause to be made, any permitted Leasehold Improvements in the manner described below.
 - (iv) at the sole cost and expense of the Tenant;
 - (v) as expeditiously and as diligently as possible, in a good and workmanlike manner and using first class quality new materials;
 - (vi) in accordance with the drawings and specifications approved in writing by the Landlord and the requirements of all governmental authorities having jurisdiction; and
 - (vii) subject to such rules, regulations and controls as are reasonably designated by the Landlord.
- (c) The making or installing of any Leasehold Improvements may be subject to supervision or inspection by the Landlord or its authorized agents, at the discretion of the Landlord.
- (d) Any such Leasehold Improvements made or permitted to be made by the Tenant to, in or for the Demised Premises without the prior written consent of the Landlord or which are not made in accordance with the drawings and specifications approved by the Landlord shall, at the Landlord's discretion, be immediately removed by the Tenant at the Tenant's expense and the Demised Premises restored to their previous condition, failing which the Landlord may, at its option, with five (5) days written notice to the Tenant and without any liability on the Landlord's part, enter the Demised Premises and remove them at the Tenant's expense, which shall be paid by the Tenant to the Landlord as Additional Rent on demand. The Tenant agrees that such removal by the Landlord is not a re-entry or a breach of any covenant for quiet enjoyment contained in this Lease.
- (e) However, if in the Landlord's reasonable opinion, any Leasehold Improvements, or the installation of such, (1) may affect the structure of

the Demised Premises or any other part of the Building, or (2) are to be installed outside of the Demised Premises, or (3) are to be installed within the Demised Premises but are part of the Common Facilities, or (4) may affect portions of the HVAC System within the Demised Premises, then such Leasehold Improvements shall, at the Landlord's option, acting reasonably, be performed only by the Landlord, but in all cases be at the Tenant's sole cost and expense, provided that such costs and expenses are reasonably incurred. Upon receipt of invoice from the Landlord, the Tenant shall pay to the Landlord, as Additional Rent upon demand, the Landlord's costs relating to any such Leasehold Improvements including the reasonably incurred fees and expenses of any architectural, engineering or other consultants or professionals.

- (f) No Leasehold Improvements to, in or for the Demised Premises by or on behalf of the Tenant shall be permitted which in the Landlord's opinion may weaken or endanger the structure or adversely affect the condition, safety or operation of the Demised Premises or the Building, or impair the use of the Common Facilities, or restrict or reduce the Landlord's coverage for zoning purposes, or cause the Landlord to provide additional parking spaces.

10.2 **Signs and Advertising:** The Tenant, at its expense, shall (after first obtaining the consent of the Landlord, and paying any applicable fees, and the consent of all governmental authorities, and paying any applicable fees, having jurisdiction as aforesaid) erect, operate, maintain, repair and replace interior identification sign or signs of a type or types and in a location or locations as specified, and approved, in writing by the Landlord and in accordance with the Landlord's sign policy for the Building and sign By-Law for the City of Brampton. The Tenant shall promptly indemnify and hold the Landlord harmless from and against any and all claims with respect to any of the Tenant's Signs (including, without limitation, any loss or damage caused to any property or any Injury caused to any Person as a result of the placing, use, removal, dislodgement or collapse of any such Signs). At the expiration or earlier termination of this Lease, the Tenant shall, at the Tenant's expense, remove any Sign from the Demised Premises that the Landlord at its option, upon written notice to the Tenant, requires to be removed, and immediately repair all damage caused by any such removal. The Tenant's obligation to observe this covenant shall survive the expiration or earlier termination of this Lease. The Tenant shall not erect any signage or structure on the Lands without the written consent of the Manager of Realty Services.

10.3 **Use of Landlord's Trademarks and Symbols:** Subject to obtaining written approval from the Landlord, the Tenant may, in the conduct of its business in the Demised Premises, promote the Building and use the trade names, symbols, marks and slogans of the Landlord (as specified by the Landlord in any written approval granted). The Tenant shall not acquire nor be deemed to have acquired any interest in any such trade names, symbols, marks or slogans and on the expiration of the Term the Tenant shall immediately discontinue all use thereof. If the Landlord advertises the Building, such advertising may display or mention the name of the Tenant subject to the prior written approval of the Tenant as to how its name or trademarks are used, displayed or mentioned.

10.4 **Tenant's Liens:**

- (a) The Tenant shall not suffer or permit any liens at common law or under the provision of any statute (including liens for labour or materials under the *Construction Lien Act*, R.S.O. 1990, Chapter C.30, as amended) to be filed against the Demised Premises, the Land, or the Building or any parts

thereof by reason of work, labor, services or materials supplied or claimed

to have been supplied to the Tenant or anyone holding the Demised Premises or any part thereof through or under the Tenant.

- (b) If and whenever any such lien shall arise the Tenant shall promptly and in any event within 30 days after notice from the Landlord, take or cause to be taken such measures as shall be necessary to either (i) vacate the registration of any notice of lien and certificate of action from title by payment into court as per s.44 of the *Construction Lien Act* or by obtaining an order under sections 45 or 46 of the *Construction Lien Act* and, if the Landlord is named in a related Statement of Claim (ii) procure the discharge thereof or a release of the Landlord from any claim or a Court order dismissing the Landlord from the claim.
- (c) If the Tenant shall fail to discharge such lien or order within such period, the Landlord may, in addition to any other right or remedy of the Landlord, but shall not be obligated to, take any action prescribed in clause (b) above in the manner it deems appropriate.
- (d) Any amount paid by the Landlord for any of the aforesaid purposes and all legal costs (on a solicitor and client basis) and other expenses of the Landlord, including counsel fees, for any related items related to this section, with all necessary disbursement in connection therewith, together with interest thereon at the Stipulated Rate of Interest from the date of payment, shall be repaid by the Tenant to the Landlord on demand, and if unpaid may be treated as Additional Rent.
- (e) Nothing herein contained shall authorize the Tenant, or imply any consent or agreement or request on the part of the Landlord, to subject the Landlord's estate or interest in the Building, Land or Demised Premises to any construction lien or other lien of any nature or kind whatsoever.
- (f) Notice is hereby given that the Landlord hereby expressly refuses and denies any consent or agreement or request to permit the Landlord's estate or interest in the Building, Land or Demised Premises to be subject to any construction lien or other lien of any nature or kind whatsoever without the express written agreement of the Landlord to that effect.

ARTICLE 11 REPAIR AND MAINTENANCE OF DEMISED PREMISES

11.1 **Repair and Maintenance Obligations:** The repair and maintenance related to the Demised Premises and Building shall be in accordance with Schedule C.

11.2 **Tenant's Obligations:** Subject to Article 17, and the Maintenance and Repair Obligations in **Schedule "D"**, the Tenant covenants the following.

- (a) The Tenant shall, at all times, at its sole cost, keep and maintain in good order, first-class condition and repair and shall, unless otherwise indicated in this Lease, make all needed repairs and replacements with due diligence and dispatch to
 - (i) the whole of the Demised Premises;
 - (ii) all interior signs), partitions, doors and fixtures located in or upon the Demised Premises (excluding windows); and
 - (iii) all Leasehold Improvements, equipment in and appurtenances of the Demised Premises, including, but not limited to trade fixtures

and signs.

- (b) All repairs or replacements made in and to the Demised Premises pursuant to this Lease shall be carried out with such materials originally installed in the Demised Premises or any substitutes therefore which shall be in all respects equal thereto in quality, use and durability, all as approved by the Landlord, which approval is not to be unreasonably withheld or delayed.
- (c) The Landlord may enter and view the state of repair at any reasonable time, without notice, provided such inspection does not materially disturb the Tenant's operations.
- (d) If the Landlord provides notice to the Tenant that repair or maintenance is necessary, the Tenant shall repair the Demised Premises according to the stipulations specified in that notice.
- (e) The Tenant shall leave the Demised Premises in good repair subject to reasonable wear and tear and in a manner consistent with the covenant of the Tenant set out in Section 11.2(a) at the end of the Term.

11.3 **Pest and Rodent Control**: Unless the Landlord elects to assume control over pest and rodent extermination in order to maintain satisfactory and uniform pest and rodent control throughout the Building, where necessary, the Tenant shall engage for the Demised Premises at its sole cost such extermination contractor as it deems necessary. Such extermination shall not be unduly obnoxious to other tenants in the building, and seven (7) days' notice shall be provided to the Landlord and all other Tenants before any spraying occurs.

11.4 **Notice of Defects or Damage**: The Tenant shall promptly notify the Landlord of any defect or deficiency in, malfunction of, or damage to, the Demised Premises, or any equipment, Leasehold Improvement, service or utility therein of which the Tenant becomes aware at any time during the Term.

11.5 **Tenant Not to Overload Floors**: The Tenant shall not bring upon the Demised Premises or any part thereof, any machinery, equipment, article or thing that by reason of its weight, size or use might in the reasonable opinion of the Landlord damage the Demised Premises and will not at any time overload the floors of the Demised Premises and that if any damage is caused to the Demised Premises by any machinery, equipment, object or thing or by overloading, or by any act, negligence or misuse on the part of the Tenant, or any of its servants, agents or employees, or by any person having business with the Tenant, the Tenant will forthwith repair the same, or at the option of the Landlord, pay the Landlord forthwith on demand as Additional Rent, the cost of any necessary repairs.

ARTICLE 12 INSURANCE

12.1 **Tenant's Insurance**:

- (a) The Tenant shall at all times during the currency of the term of this agreement, at its own cost and expense, take out and keep in full force and effect the following insurance coverage with respect to the Demised Premises and its use and occupation thereof.
 - (i) General Liability Insurance in respect of the Demised Premises against all claims for personal injury, including injury resulting in death, and property damage with an inclusive limit of not less than \$3,000,000 per occurrence.

- (ii) Tenant's Legal Liability Insurance in respect to the Demised Premises in an amount of not less than \$500,000.
- (b) Such policy or policies shall name The Corporation of the City of Brampton as an additional insured as its interest may appear and be with insurers that have a rating which meets the requirements of the City of Brampton's policy on Insurance.
- (c) The Tenant shall deposit with the Landlord, prior to entering into this agreement, a Certificate of Insurance on a form provided by the Landlord.
- (d) If such policy or policies are cancelled, changed for any reason or materially altered in any way that would affect the City of Brampton, thirty (30) days prior written notice by registered mail will be given by the Tenant's insurer to the Landlord.
- (e) The City of Brampton reserves the right to request such higher limits of insurance or other types of insurance policies appropriate to this agreement as the Landlord may reasonably require from time to time.
- (f) The Tenant shall be responsible for obtaining contents insurance in such amounts as required to adequately cover the Tenant's property, equipment and any other such property in the care, custody, and control of the Tenant that is kept at the Demised Premises and is not property owned by the Landlord. The policy must contain a waiver of subrogation against the Landlord. The Landlord shall have no responsibility for such property and/or equipment.

ARTICLE 13 ENVIRONMENTAL PROVISIONS

13.1 Compliance with Environmental Laws.

- (a) The Tenant shall not bring or cause to be brought any hazardous or toxic product or substance, or contaminant (as such are defined under the applicable environmental legislation) at, in, on or under the Demised Premises, the Building or the Land, without first obtaining written consent from the landlord thirty (30) days prior to doing so, and such consent may be arbitrarily withheld.
- (b) The Tenant agrees that it shall fully and promptly comply with all applicable environmental laws, with respect to its use of the Demised Premises, including, but not limited to, laws regarding obtaining licenses, certificates of approval, permits and other approvals, storage of products or materials, and discharges of contaminants.
- (c) The term "environmental laws" in this Article 13, shall include, but not be limited to common law and all present and future applicable federal, provincial, local, municipal, governmental or quasi-governmental statutes, laws, by-laws, rules, regulations, licences, orders, guidelines, policies, directives, permits, decisions, or requirements concerning occupational or public health and safety, or the environment in any act, order, injunction, judgment, declaration, notice or demand issued thereunder.
- (d) The Tenant agrees to immediately notify the Landlord if the release, discharge or spill or leakage of any hazardous or toxic product or substance or contaminant has occurred in, on, or under the Demised Premises, Building and/or Land or of any inquiry, test, investigation or enforcement proceeding by or against the Tenant, Lessor or the Demised

Premises, Building or Land.

- (e) The Tenant agrees to assume any and all liability and responsibility related to any claims or damages regarding the release, discharge or spill or leakage of any hazardous or toxic product or substance or contaminant in, on, under, along, across and around the Demised Premises, Building or Land, and the damages or injury related thereto and the Tenant agrees to promptly do any and all work, and pay any and all costs which arise in relation to such, in connection with the following:
 - i) the use of or occupation of the Demised Premises, Building or Land by the Tenant or any of its invitees, employees, servants, agents, contractors, or anyone for whom it is legally responsible, regardless of whether consent was granted to those or not; and/or
 - ii) any products or goods brought in, on, under, along, across or around the Demised Premises by the Tenant, or any of its invitees, employees, servants, agents, contractors, or anyone for whom it is legally responsible, regardless of whether consent was granted to those or not.
- (f) The Tenant agrees that the Owner is not responsible, either directly or indirectly, for the Claims and Losses or any damage to property or injury to a person, including death, arising from the escape, discharge or release of any contaminant or hazardous or toxic substance from the Demised Premises, Land or Building, that arises in connection with the Tenant's (or any of its invitees, employees, servants, agents, contractors, or anyone for whom it is legally responsible, regardless of whether consent was granted to those or not) use or occupation of the Demised Premises, Land or Building, unless such Claims and Losses, damage or injury, is caused by the gross negligence or wilful misconduct on the part of the Owner, or those for whom it is legally responsible.
- (g) Upon the expiration of the Term or other termination of this Lease, the Tenant agrees to leave the Demised Premises clean of any contaminants, hazardous substances, products or waste, or any toxic substances and to leave it suitable for immediate reuse for any commercial purposes.
- (h) During the last six (6) months of the Term, the Landlord may conduct such reasonable environmental audits and inspections of the Demised Premises as the Landlord may determine given the nature of the Tenant's business operations, provided that such environmental audits do not interrupt the Tenant's business activities. In the event that such audits and inspections indicate environmental damage which the Landlord proves was caused by the Tenant regarding any contaminant or hazardous or toxic substance, then the reasonable costs of such audits or inspections shall be for the account of the Tenant and shall be collectable as Additional Rent, and paragraph (e) above shall apply.

ARTICLE 14 INDEMNITY

- 14.1 **By Tenant:** The Tenant shall indemnify, save harmless, and defend (at the Landlord's discretion) the Landlord, its elected officials and any other person for whom it is in law responsible, from any kind of liability, suit, claim, demand, fine, action, or proceeding of any kind which may be brought against it, and from and against any and all losses, costs, damages, or expenses (including the Landlord's legal fees) suffered or incurred by the Landlord (including those

Landlord will make every effort to notify affected Tenants as far in advanced as is reasonably possible, the Landlord may interrupt or suspend the supply to the Demised Premises of any services or utilities where necessary until such repairs, alterations, improvements or additions shall have been completed.

- 15.4 **Entry in Absence of Tenant:** If the Tenant shall not be personally present to open and permit entry into the Demised Premises at any time when for any reason an entry therein shall be necessary or permissible, the Landlord or the Landlord's authorized agent may enter the same by a master key, without rendering the Landlord or such agents liable therefore, and without in any manner affecting the covenants, obligations and agreements of the Tenant under this Lease.
- 15.5 **Entry in Case of Emergency:** If the Landlord determines that entry into or onto the Demised Premises or Common Facilities is necessary due to an emergency situation, the Landlord, or any of its employees, servants, contractors, or agents may enter without notice, and without liability with respect to such entry.

ARTICLE 16 LANDLORD'S REMEDIES

- 16.1 **Landlord May Perform Tenant's Covenants:** In the event that the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease (other than its covenant to pay Rent and Additional Rent) and such default shall continue for a period of fifteen (15) consecutive days or such longer period as may be reasonably required in the circumstances to cure such default, after prior written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied, the Landlord may remedy such default and the reasonable cost thereof to the Landlord together with interest thereon at the Stipulated Rate of Interest from the date of such default shall be added to the Rent due and/or Additional Rent due, as may be the case, on the next succeeding date on which Rent and/or Additional Rent is payable, and such amount shall thereupon become due and payable as Rent in addition to the regular payment of Rent then due. The Landlord shall be subrogated to the extent of such payment to all rights, remedies and priorities of the payee of the amount paid by the Landlord to remedy such default.

16.2 **Re-entry:** When

- (a) the Tenant shall be in default in the payment of any Rent and such default shall continue for a period of ten (10) consecutive days after prior written notice from the Landlord to the Tenant (no notice being required if the Tenant has been in default of this clause on two or more occasions), or
- (b) the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease (other than its covenant to pay Rent) and such default shall continue for a period of fifteen (15) consecutive days or such longer period as may be reasonably required (as determined by the Landlord) by the circumstances to cure such default, after prior written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied, or
- (e) the Tenant shall have filed any proposal or made any assignment for the benefit of creditors, or shall have made any assignment or have had a receiving order made against it under the *Bankruptcy and Insolvency Act*,

related to the *Construction Lien Act*, R.S.O. 1990, c. C30, as amended, and the *Workplace Safety and Insurance Act*, 1997, S.O. 1997, c. 16, Schedule A, as amended) (the "Claims and Losses"), howsoever caused (either directly or indirectly), including by reason of any damage to property, delay, or injury (including injury resulting in death) to any person, in any way connected with this Lease Agreement or use of the Demised Premises by the Tenant (or by those for whom it is in law responsible), or arising from any breach of or non-performance by the Tenant of any provision of this Lease, or in connection with any environmental matter expressed in Article 13, unless such Claims or Losses are caused directly by the gross negligence or wilful misconduct on behalf of the Landlord or those for whom in law it is responsible. This indemnity and release shall survive the Term or any Renewal Term.

14.2 **Limit of Landlord's Liability:** The Tenant agrees that, except as a result of the Landlord's gross negligence or willful misconduct, the Landlord shall not be liable or responsible in any way for any consequence whatsoever arising from the Tenant's use or occupation of the Demised Premises, Building or Land, and in particular, without limiting the generality of the foregoing, the Landlord shall not be liable for any loss, damage, death or injury of any nature whatever resulting from the following:

- (a) the condition or arrangement or from the interruption or breakdown of any heating, ventilating, air-conditioning, sprinkler, mechanical or electrical equipment or machinery or of any water, gas, sewage, electrical power or other utility in the Demised Premises, the Building;
- (b) steam, smoke, water, rain, snow or other substances leaking, issuing, flowing or escaping into any part of the Demised Premises;
- (c) theft;
- (d) anything done or omitted to be done by other occupants of the Building, by persons in the Demised Premises or in the Building, or by occupants of adjacent property, or by the public.

ARTICLE 15 ENTRY BY LANDLORD

15.1 **Right of Landlord:** The Landlord and its authorized servants, employees, agents and contractors shall be entitled at all reasonable times, without notice, (to the Tenant to enter upon the Demised Premises for the purposes of inspecting and/or making any repair in this Lease or Schedule D required or permitted to be made by the Landlord.

15.2 **Annual and Final Inspections:** The Tenant agrees that, upon thirty (30) days notice, the Landlord may, at its discretion conduct an annual inspection of the Demised Premises, in accordance with the Landlord's Tenant inspection form, available for viewing at the Landlord's property management office, suite 015. In addition, upon thirty (30) days notice, the Landlord may at its discretion, conduct a final inspection of the Demised Premises prior to the termination of this Lease.

15.3 **Maintenance of Services and Utilities:** The Landlord shall have the right to enter the Demised Premises, at all reasonable times, without notice, in order to use, install, maintain and repair pipes, wires, ducts and other installations in, under or through the walls, ceilings and floor of the Demised Premises for or in connection with the supply of any services or utilities to the Demised Premises or to any part of the Building or of the Building, and in order to do such work, the

R.S.1985, c. B-3, s. 1; 1992, c. 27 , as amended, or shall have made application for relief under the provisions of any statute now or hereafter in force concerning bankrupt or insolvent debtors, or any action whatever, legislative or otherwise, shall have been taken with a view to the winding up, dissolution or liquidation of the Tenant or its assets, or

- (f) a receiver or a receiver and manager is appointed for all or a portion of the Tenant's property, or
- (g) the Tenant makes a sale in bulk (other than a Bulk Sale made to an assignee or subtenant pursuant to a permitted assignment or subletting hereunder and pursuant to the *Bulk Sales Act*, R.S.O. 1990, C.B.14, as amended, or any statute subsequently passed to take the place of or to amend the said Act), or
- (h) this Lease or any of the Tenant's assets on the Demised Premises are taken under any writ of execution, chattel mortgage, charge, debenture or other security instrument, or
- (i) any distress is levied upon any of the Tenant's goods in the Demised Premises, or
- (j) the Tenant effects or attempts to effect a transfer or a change in the effective voting control of the Tenant that is not permitted, in advance, in writing, by the Landlord,
- (k) the Demised Premises are vacated, or remain unoccupied for a period of fifteen (15) consecutive days, provided that any such vacancy or non-occupation is not linked to any maintenance, repair or renovation work.

then and in any of such cases the then current month's Rent and Additional Rent together with Rent for the three (3) month's next ensuing shall immediately become due and payable (in the case of bankruptcy or insolvency as well), and at the option of the Landlord upon written notice, the Term and any Renewal Term shall become forfeited and void. The Landlord may, having given notice (in accordance with section 19(2) of the *Commercial Tenancies Act*, R.S.O. 1990, L.7, as amended) forthwith re-enter upon the Demised Premises or any part thereof, repossess and enjoy the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding, provided however, that such forfeiture shall be wholly without prejudice to the right of the Landlord to recover arrears of Rent or damages for any antecedent default by the Tenant of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease and provided further that notwithstanding any such forfeiture the Landlord may subsequently recover from the Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely determined.

- 16.3 **Landlord May Relet:** If the Landlord does not exercise its option under Section 16.2 to terminate this Lease it may nevertheless in the events set out in this Article re-enter the Demised Premises, upon giving five (5) days written notice, without terminating this Lease, and without any liability or providing any compensation, to make such reasonable alternations and repairs as may be necessary in order to relet the Demised Premises, or any part thereof, and the Landlord may relet the Demised Premises. If rentals received from reletting during any month be less than that paid during that month by the Tenant, the Tenant shall pay any such deficiency to the Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Demised Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to the

Tenant. Notwithstanding any such reletting without termination, the Landlord may at any time thereafter upon giving notice, elect to terminate this Lease by reason of such previous event. Should the Landlord at any time terminate this Lease by reason of any such event, in addition to any other remedies it may have, it may recover from the Tenant damages it may incur with respect thereto, including the cost of recovering the Demised Premises, and any related legal and professional fees, and including the worth at the time of such termination of the excess, if any, of the amount of Rent and other sums reserved in this Lease for the remainder of the Term, all of which amounts shall be immediately due and payable from the Tenant to the Landlord as Additional Rent on demand. In determining the Rent which would be payable under this Lease by the Tenant subsequent to default, the annual Rent for each year of the unexpired portion of the Term shall be equal to the average annual Rent paid by the Tenant from the Lease Commencement Date to the time of default or during the preceding three (3) full Lease Years, whichever period is shorter, plus Additional Rent.

- 16.4 **Distress**: In any of the events set out in this Article the Landlord in addition to the other rights reserved to it shall have the right to enter the Demised Premises on five (5) days prior written notice (and with no notice if the event is the Tenant being in default of Rent) as agent of the Tenant and to take possession of any goods and chattels, except trade fixtures, on the Demised Premises, and save and except any such goods and chattels as are owned by third parties or any occupiers of the Demised Premises other than the Tenant, and to sell the same at public or private sale without notice and apply the proceeds of such sale on account of the Rent or other sums provided in this Lease to be paid by the Tenant as Rent in arrears or in satisfaction of the default by the Tenant of its covenants, obligations or agreements and the Tenant shall remain liable for the deficiency, if any. Notwithstanding any present or future statute of the Ontario Legislature, none of the Tenant's goods and chattels on the Demised Premises shall at any time during the Term or after be exempt from levy by distress for Rent arrears, and the Tenant, having waived any such exemption, shall by this clause be estopped from setting up any such exemption in any proceedings between the parties. Any distress of goods in this clause shall not constitute trespass or a breach of any term of this Lease. A distress may be affected by placing written notice on the door of the Demised Premises, and after such notice is posted, the Tenant agrees not to remove any items from the Demised Premises.
- 16.5 **Landlord May Follow Chattels**: In case of removal by the Tenant of the goods and chattels of the Tenant from the Demised Premises; the Landlord may follow the same for thirty (30) days in the same manner as is provided for in the *Commercial Tenancies Act*, R.S.O. 1990, c. L. 7, as amended, or any successor legislation or other statute which may hereafter be passed to take the place of the said Act.
- 16.6 **Expenses**: If legal action or any proceeding or demand is brought or made or any cost incurred by the Landlord for recovery of possession of the Demised Premises for the recovery of Rent or any other amount due under this Lease, or through the distress of goods, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, the Tenant shall pay to the Landlord all reasonable expenses incurred therefore, including, but not limited to solicitor's fees, and bailiff fees.

ARTICLE 17
DAMAGE AND DESTRUCTION, EXPROPRIATION AND DEMOLITION

17.1 Destruction of Demised Premises:

- (a) If the Demised Premises are at any time destroyed or damaged as a result of fire, the elements, accident or other casualty and not caused by the Tenant, and if as a result of such occurrence:
 - (i) the Demised Premises are in the mutual agreement of the parties, acting reasonably tendered untenable only in part, this Lease shall continue in full force and effect and the Landlord shall, subject to Section 17.2(a) hereof, commence diligently to reconstruct, rebuild or repair the Demised Premises with the exception of the Leasehold Improvements, other improvements and betterments made by or on behalf of the Tenant (the "Improvements"); and Rent and Additional Rent shall abate proportionately to the portion of the Demised Premises rendered untenable until forty-five (45) days after the parties mutually agree that the Demised Premises have been completely restored and rendered tenantable by the Landlord to the extent of the Landlord's obligation contained in this paragraph;
 - (ii) the Demised Premises are in the mutual agreement of the parties, acting reasonably rendered wholly untenable, this Lease shall continue in full force and effect and the Landlord shall, subject to Section 17.2(a) hereof, commence diligently to construct, rebuild or repair the Demised Premises with the exception of the Leasehold Improvements, and Rent and Additional Rent shall abate entirely until forty-five (45) days after the parties mutually agree that the Demised Premises have been completely restored and rendered tenantable by the Landlord to the extent of the Landlord's obligation contained in this paragraph;
 - (iii) the Demised Premises are not rendered untenable in whole or in part, this Lease shall continue in full force and effect, the Rent and other payments payable by the Tenant shall not terminate, be reduced or abate and the Landlord shall, commence diligently to reconstruct, rebuild or repair the Demised Premises with the exception of the Leasehold Improvements,
- (b) Upon the parties agreeing that, acting reasonably, the Landlord has reconstructed the portion of the Demised Premises for which it is responsible, the Tenant shall, within forty-five (45) days thereafter, forthwith diligently reconstruct, rebuild or repair the Improvements to fully restore the Demised Premises for business fully fixtured, stocked and staffed.
- (c) Notwithstanding anything contained in this Lease and specifically notwithstanding the provisions of this Article 17, if the Demised Premises are damaged or destroyed at any time during the last three (3) years of the Term or of any renewal term, the Landlord shall not be required to reconstruct, rebuild, or repair the Demised Premises following any such damage or destruction it unless the Tenant has exercised at least one of any subsequent options to renew which it may have in accordance with the provisions of this Lease, within a period of forty-five (45) days from the date of occurrence of the damage or destruction. In the event that the Landlord elects not to reconstruct, rebuild or repair the Demised Premises following any such damage or destruction, the Landlord shall so notify the Tenant within thirty (30) days following any such damage or destruction of its election and in the case of such election, the term of this Lease and the tenancy hereby created shall expire by passage of time upon the thirtieth (30th) day after such election is made, and the Tenant shall, within such

thirty (30) day period, vacate the Demised Premises and surrender the same to the Landlord and the Landlord shall have the right to re-enter and repossess the Demised Premises discharged of this Lease and to remove all persons and property therefrom.

17.2 Destruction of Building:

- (a) Notwithstanding anything contained in this Lease and specifically notwithstanding the provisions of Section 17.1 hereof, if fifty per cent (50%) or more of the Gross Leasable Area of the Building is at any time destroyed or damaged as a result of fire, the elements, accident or other casualty, whether or not the Demised Premises are affected by such occurrence, and the Landlord elects within thirty (30) days of the occurrence of such damage or destruction not to repair such damage or destruction, then and so often as any such events occur, either party may, at its option (to be exercised by written notice to the other party within thirty (30) days following such election) cancel or terminate this Lease. In the case of such election to terminate, the Term and the tenancy hereby created shall expire upon the thirtieth (30th) day after such notice is given, without indemnity or penalty payable by one party to the other and the Tenant shall, within such thirty (30) day period, vacate the Demised Premises and surrender the same to the Landlord with the Landlord having the right to re-enter and re-possess the Demised Premises discharged of this Lease and to remove all property therefrom. Rent and Additional Rent shall be due and payable without deduction or abatement subsequent to the destruction or damage and until the date of termination, unless the Demised Premises shall have been destroyed or damaged as well, in which event Section 17.1 shall apply;
- (b) If all or any part of the Building is at any time destroyed or damaged as set out in Section 17.2(a), and the Landlord does not elect to terminate this Lease in accordance with the rights hereinbefore granted, the Landlord shall commence diligently to reconstruct, rebuild or repair that part of the Building so destroyed or damaged following such destruction or damage, or such parts of the Building that must be reconstructed, rebuilt or repaired for the Tenant to be able to continue to lease the Demised Premises.
- (c) If the Landlord elects to repair, reconstruct or rebuild the Building or any part or parts thereof, the Landlord must provide the Tenant with premises of comparable size, frontage and location to that which existed prior to any such damage or destruction, if the Demised Premises are untenable, until such time as the Demised Premises are tenable.

17.3 Expropriation: Both the Landlord and the Tenant agree to co-operate with each other in respect of any expropriation of all or any part of the Demised Premises or any other part of the Building, or Land so that the maximum award in the case of any expropriation shall be achieved. To the extent that any portion of the Building, Demised Premises or Land is expropriated the full proceeds accruing therefrom shall belong solely to the Landlord, and the Tenant shall abandon or assign to the Landlord any rights which the Tenant may have to such and promptly execute any documents which the Landlord deems necessary to give effect to this provision. If any part of the Demised Premises is expropriated, and as a result hereof, the area of the Demised Premises is reduced, then, the Gross Leasable Area of the Demised Premises shall be adjusted to take into account any such reduction in area, and the annual Rent payable by the Tenant pursuant to Section 6 shall be adjusted on the basis of the rental rate set out therein.

17.4 Remodelling and Demolition: That in the event of the Landlord desiring at any time during the Term or any renewal thereof, to remodel the Building, or any part thereof, or to take down the Building, the Tenant will on receiving six (6) months notice in writing, surrender this Lease and all the remainder of the Term, if any, then yet to come and unexpired, as from the day mentioned in such notice, and will, subject nevertheless to the provisions herein before contained thereupon, vacate the Premises and yield up to the Landlord the peaceable possession thereof. IT IS UNDERSTOOD that the said six (6) months' notice need not expire at the end of any year or at the end of any month, and in the event of the day fixed for termination of the lease expiring of some other day than the last day of a month, the Rent for such month shall be apportioned for the broken period.

ARTICLE 18 EXPIRATION OF TERM

18.1 Rights to Additions and Leasehold Improvements: The Tenant shall have the right to all alterations, decorations, additions made by the Tenant (or by the Landlord on the Tenant's behalf) that are not Leasehold Improvements, and on the expiration or early termination of this Lease, title to the Leasehold Improvements shall be deemed to be the property of the Landlord from the time they are installed, and at and from the termination of this Lease. However, the Tenant shall, within thirty (30) days from the expiration of the Term, at its own cost, remove such of the Leasehold Improvements and fixtures as the Landlord requires to be removed, and pay for the cost of such removal, and promptly perform and pay for any repairs required to fix damages caused by such removal.

18.2 Surrender of Demised Premises: At the expiration of the Term the Tenant shall peaceably surrender and yield up to the Landlord the Demised Premises and all Leasehold Improvements not removed therefrom pursuant to Section 18.1 all in good and substantial repair and condition in accordance with this Lease, reasonable wear and tear excepted, and the Tenant shall surrender all keys for the Demised Premises and other locking devices to the Landlord at the place then fixed for the payment of Rent. Tenant will also ensure that the premises will be left in a general state of cleanliness, with any items, including garbage, removed immediately prior to yielding possession to the Landlord.

18.3 Overholding: If the Tenant remains in possession of all or any part of the Demised Premises after the expiry of the Term with the consent of the Landlord and without any further written agreement, or without the consent of the Landlord, there shall be no tacit renewal or extension of this Lease and, despite any statutory provision or legal presumption to the contrary, the Tenant shall be deemed conclusively to be occupying the Demised Premises as a monthly tenant, as if the Landlord did consent to the Tenant remaining in possession, or as a tenant at will, if the Landlord did not consent to the Tenant remaining in possession, in either case on the same terms and conditions as set forth in this Lease, (except for the Term and the exceptions hereinafter set out in this provision 18.3, but including the payment of Additional Rent). In so far as terms would be applicable to a monthly tenancy in the former case and as would be applicable to a day-to-day tenancy in the latter case, except that the monthly Rent shall be

(a) the aggregate of the following:

- i. 125 percent of the monthly rent payable
- ii. one sixth (1/6th) of the highest amount of [Percentage Rent] payable for any rental year of the Term, and

- iii. and one-sixth (1/6th) of the amount of Additional Rent payable by the Tenant in the last twelve (12) month rental year of the Term.
- (b) or, on hundred and fifty percent (150%) of the aggregate of the monthly minimum rent and additional rent prevailing at the date of such overholding for renting of improved premises which are either identical or similar to the Demised Premises, as determined by the Landlord, and where the Tenant is deemed conclusively to be occupying the Demised Premises as a tenant at will, such monthly Minimum Rent shall be prorated on a daily basis, and excepting provisions for renewal or extension (if any), or Rent-free or Fixturing Period (if any) or restrictive covenant (if any) or right of first refusal (if any) or option on additional space in the Building (if any) contained herein, and nothing to the contrary, including the acceptance of any Rent by the Landlord, shall extend or renew this Lease, except an agreement in writing between the Landlord and Tenant and the Tenant hereby authorizes the Landlord to apply any moneys received from the Tenant in payment of such monthly Rent. The Tenant shall promptly indemnify and hold harmless the landlord from and against any and all Claims incurred by the Landlord as a result of the Tenant remaining in possession of all or any part of the Demised Premises after the expiration of the Term. The Tenant shall not interpose any counterclaim in any summary or other proceeding based on overholding by the Tenant. Nothing contained in this Article 18 of the Lease shall (i) preclude the Landlord from taking action for recovery of possession of the Demised Premises, or (ii) be construed to constitute the Landlord's consent to the Tenant holding over at the expiration or earlier termination of this Lease or to give the Tenant the right to hold over after the expiration or earlier termination of this Lease or (iii) limit the liability of the Tenant in damages or otherwise.

18.4 Effect of Termination: The termination of this Lease whether by passage of time or by the exercise of any right of either the Landlord or Tenant pursuant to this Lease shall be wholly without prejudice to the right of the Landlord to recover arrears of Rent or damages for a prior default by the Tenant of its covenants, obligations or agreements under this Lease.

18.5 Exhibit Demised Premises: During the six (6) months prior to the expiration of the Term, the Landlord may exhibit the Demised Premises to prospective Tenants and place upon the Demised Premises the usual notices "For Rent" which notices the Tenant shall permit to remain without alteration. The Landlord may after providing the Tenant with twenty-four (24) hours written notice, during the Tenant's regular business hours, exhibit the Demised Premises to prospective purchasers or mortgagors of the Building.

ARTICLE 19 DISPOSITIONS BY TENANT

19.1 Assignment and Sub-letting:

- (a) The Tenant will not assign this Lease, or permit this Lease to be assigned, in whole or in part, nor sublet all or any part of the Demised Premises, nor mortgage, charge, or otherwise encumber this Lease or the Demised Premises or any part thereof, nor suffer or permit the occupation of, or parting with or sharing possession, of all or any part of the Demised Premises by any person, or entity (collectively "Transfer"), without the prior written consent of the Landlord in each instance, which consent may be unreasonably withheld,

despite any provision of this Lease or any statutory provision or other law to the contrary.

- (b) The consent by the Landlord to any Transfer, if granted, shall not constitute a waiver of the necessity for such consent to any subsequent Transfer. This prohibition against a Transfer is construed so as to include a prohibition against any Transfer by operation of law and no Transfer shall take place by reason of a failure by the Landlord to reply to a request by the Tenant for a consent to a Transfer.
- (c) Any document or consent evidencing such Transfer of this Lease if permitted or consented to by the Landlord shall be prepared by the Landlord or its solicitors, at the Landlord's option, and the Tenant shall pay the cost of such preparation in accordance with the City of Brampton Fees By-law, forthwith upon demand, or as Additional Rent, at the Landlord's option.
- (d) Any consent by the Landlord, at the discretion of the Landlord, may be subject to the Tenant causing any such Transferee to promptly execute an agreement directly with the Landlord agreeing to be bound by all of the terms, covenants and conditions contained in this Lease as if such Transferee had originally executed this Lease as tenant, or with amendments to such that shall be at the Landlord's discretion.

19.2 Landlord's Option: If the Tenant intends to effect a Transfer of all or any part of the Demised Premises or this Lease, in whole or in part, or any estate or interest hereunder, then and so often as such event shall occur, the Tenant shall give prior written notice to the Landlord of such intent, specifying therein the proposed Transferee and providing such information with respect thereto including, without limitation, information concerning the principals thereof and such credit, financial or business information relating to the proposed Transferee as the Landlord or the Mortgagee reasonably requires and the Landlord shall, within thirty (30) days after having received such notice and all such necessary information, notify the Tenant in writing either, that it consents or does not consent to the Transfer in accordance with the provisions and qualifications in this Article.

19.3 No Advertising for Transfer: The Tenant shall not print, publish, post, display, broadcast or otherwise advertise or offer for any of the aforesaid purposes, the whole or any part of the Demised Premises for purposes of Transfer, and shall not permit any broker or other third party to do any of the foregoing, unless the complete text and format of any such notice, advertisement, or offer is first approved in writing by the Landlord, such approval not to be unreasonably withheld or delayed. Any text and format proposed by the Tenant shall not contain any reference to the rental rate of the Demised Premises.

19.4 Concessions Franchises and Licences: The Tenant shall not permit any business to be operated in or from the Demised Premises by any concessionaire, franchisee, licensee or others without the prior written consent of the Landlord in each instance, which consent may not be unreasonably withheld. The consent by the Landlord to any concession, franchise or licence shall not constitute a waiver of the necessity for such consent to any subsequent concession, franchise or licence, and shall be on the terms provided by the Landlord, including, but not limited to, that such concession, franchise or licence shall be subject to the terms, covenants and conditions contained in this Lease. Any conduct of a licensee, concessionaire or franchisee which is in breach of the provisions of this Lease, shall be deemed to be the conduct of the Tenant and the Tenant shall be deemed to be in breach of this Lease.

ARTICLE 20
DISPOSITIONS BY LANDLORD

20.1 Priority of Lease:

- (a) Upon request, the Tenant shall subordinate this Lease and all of its rights hereunder in such form as the Landlord requires to any and all underlying leases, mortgages, trust deeds or the charge or lien resulting from, or any instruments of, any financing, refinancing or collateral financing and to all advances made or hereafter to be made upon the security thereof, and if requested, the Tenant shall attorn to the holder thereof or to the then registered owner of the Building.
- (b) The Tenant shall, if possession is taken under, or any proceedings are brought for the foreclosure of, or in the event of the exercise of the power of sale under, any mortgage, charge, lease or sale and lease-back transaction, deed of trust or the lien resulting from any other method of financing, refinancing, collateral financing made by the Landlord or otherwise in existence against the Demised Premises or the Building, attorn to the Mortgagee, chargee, Tenant, trustee, other encumbrancer or the purchaser upon any such foreclosure or sale and recognize such mortgagee, chargee, Tenant, trustee, other encumbrancer or the purchaser as the Landlord under this Lease, provided however that any such mortgagee, chargee, Tenant, trustee, other encumbrancer or purchaser agrees in writing to be bound by the terms of this Lease.

20.2 **Assignment by Landlord:** The Landlord declares and the Tenant agrees that the Landlord may assign its rights under this Lease to any lender or lending institution as collateral security for a loan to the Landlord and in the event that such an assignment is given and executed by the Landlord and notification thereof is given to the Tenant by or on behalf of the Landlord, it is expressly agreed between the Landlord and the Tenant that this Lease shall not be cancelled or modified for any reason whatsoever except as provided for, anticipated or permitted by the terms of this Lease or by law, without consent in writing of such lending institution.

The Tenant covenants and agrees with the Landlord that it will, whenever reasonably required by the Landlord, consent to and become a party to any instrument relating to this Lease which may be required by or on behalf of any purchaser, bank or Mortgagee from time to time of the Demised Premises, provided always that the rights of the Tenant under this Lease shall not be altered or varied in any way by the terms of such instrument or document. The Tenant shall from time to time at the request of the Landlord certify or acknowledge to any actual or proposed mortgagee, purchaser, Tenant or assignee the status and validity of this Lease and the state of the Landlord's and Tenant's account hereunder to the extent stipulated in Section 21.1 hereof.

20.3 The Tenant shall, upon the request of the Landlord or the mortgagee or any other person, firm or corporation having an interest in the Building, execute such instruments or certificates to carry out the intent of this Article 20 as are reasonably requested by the Landlord.

**ARTICLE 21
ESTOPPEL CERTIFICATIONS**

- 21.1 **Tenant's Estoppel Certificates**: The Tenant at any time and from time to time upon not less than forty-five (45) days' prior written notice, shall execute and deliver to the Landlord a statement in writing, which may be reviewed and edited by the Tenant, certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the modification and that the same is in full force and effect as modified), the same amount of Rent then being paid under this Lease, the dates to which the same, by installment or otherwise, and the other sums provided in this Lease to be paid by the Tenant have been paid, and stating whether or not there is any existing default on the part of the Landlord of which the Tenant has notice, and the particulars and amount of insurance policies on the Demised Premises in which the Tenant's interest is noted.
- 21.2 **Landlord's Estoppel Certificates**: The Landlord at any time and from time to time upon not less than forty-five (45) days' prior notice shall execute and deliver to the Tenant a statement in writing, which may be reviewed and edited by the Landlord, 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 Rent then being paid under this Lease, the dates to which the same, by installment or otherwise and other sums provided in this Lease to be paid by the Tenant have been paid, and stating whether or not there are any existing defaults on the part of the Tenant of which the Landlord has notice, and the particulars and amount of insurance policies on the Demised Premises in which the Landlord's interest is noted.
- 21.3 **Effect of Estoppel Certificate**: Any statement delivered pursuant to the provisions of this Article shall be conclusive of the matters therein referred to.

**ARTICLE 22
NOTICES AND PAYMENTS**

- 22.1 **Notices**: Any notice, demand or request which any party shall give to any other party shall be in writing and shall be deemed to have been validly given if sent by fax transmission and then followed by regular mail delivery, or delivered personally at, or mailed by pre-paid first class mail to the address of such party as follows:

To the Tenant: Mississauga Site
100 Queensway West
Mississauga, On L5B 1B8

Attention: Helen McLellan, Director of Operations

To the Landlord: 2 Wellington Street West
Brampton ON L6Y 4R2

Attention: Manager, Realty Services

or to any such other address or fax numbers as any party may from time to time notify the other in writing. Any demand, notice or request given by personal delivery shall be conclusively deemed to have been received by the party to

which it is addressed on the day of actual delivery thereof. If given by fax transmission, on the same day as the date of faxing provided that a fax transmission report is generated and retained. In the case of a demand, notice or request addressed to more than one party, on the day upon which actual delivery thereof has been completed to all such parties. Any notice sent by prepaid first class mail as aforesaid shall be deemed to have been delivered on the fifth business day (excluding Saturdays, Sundays, and Statutory Holidays) following the date of mailing thereof provided that such postal services have not been interrupted, in which case notice shall only be given by personal delivery or fax transmission as aforesaid.

It is agreed that any notice to be given by the Landlord may be by the Manager of Realty Services or the Legal Services Division of the Corporate Services Department, and need not be under the corporate seal of the City and any such notice, so signed, shall be conclusively deemed to express the will and corporate act of the Landlord as therein contained and no further evidence thereof or of any by-law or resolution need be given.

For greater clarity and notwithstanding any applicable legislation, electronic mail shall not be used for any demand, notice or request and shall not be considered proper notice under this Lease.

- 22.2 **Payments:** Until such time as the Tenant shall have received written notice to the contrary, all payments of Rent and other sums to be paid to the Landlord shall be paid to the Landlord at its address shown in this Lease.

ARTICLE 23 FORCE MAJEURE

- 23.1 **Force Majeure:** Whenever, and to the extent that either party shall be unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligations under any provision of this Lease by reason of strike, lock-out, war or acts of military authority, terrorism, rebellion or civil commotion, fire or explosion, flood, wind, water, earthquake, act of God, or by reason of being unable to obtain the material, goods, equipment, services, utility or labor required to enable it to fulfill such obligation (provided all reasonable commercial efforts have been applied) or by reason of any statute, law or order-in-council or any regulation or order passed or made pursuant thereto or by reason of the order or direction of any administrator, controller or board, or any governmental department or officer or other authority or by reason of not being able to, with reasonable efforts, obtain permission or authority required thereby, or by reason of any other cause beyond its control, whether of the foregoing character or not, and not caused by its default or its act of commission or omission and not avoidable by the exercise of reasonable effort or foresight by it, the Landlord or Tenant shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the Tenant or Landlord shall not be entitled to compensation for any damage, inconvenience nuisance or discomfort thereby occasioned.

- 23.2 **Failure of Landlord to Deliver Possession:** Anything in this Lease to the contrary notwithstanding and in supplement to the provisions of Section 23.1 the Landlord shall not be deemed in default if the Landlord is unable to give possession of the Demised Premises on the Lease Commencement Date by reason of the fact that repairs, improvements, or decorations of the Demised Premises or of the Building are not completed or for any other reason (providing such cause is not due to the willful act or negligence of the Landlord). In such circumstances Rent shall not commence until possession of the Demised Premises is given to the Tenant or the Demised Premises is available for fixturing by the Tenant, and no such failure to give possession of the Demised Premises

on the Lease Commencement Date shall in any way affect the validity of this Lease or the covenants, obligations and agreements of the Tenant under this Lease or the terms of conditions of this Lease.

ARTICLE 24 GENERAL

- 24.1 **Time of the Essence**: Time shall be of the essence of this Lease and of each of the provisions hereof.
- 24.2 **Quiet Enjoyment**: Provided that the Tenant pays the Rent and Additional Rent and other sums herein provided, and observes and performs all the terms, covenants and conditions on the Tenant's part to be observed and performed, the Tenant shall be entitled to peaceably and quietly hold and enjoy the Demised Premises for the Term hereby demised without hindrance or interruption by the Landlord, or any other person lawfully claiming by, through, or under the Landlord, subject, nevertheless, to the terms, covenants and conditions of this Lease.
- 24.3 **Accord and Satisfaction**: No payment by the Tenant or receipt by the Landlord of a lesser amount than the monthly payment of the Rent herein stipulated is deemed to be other than on account of the earliest stipulated Rent, nor is any endorsement or statement on any cheque or any letter accompanying any cheque or payment as Rent deemed an acknowledgement of the full payment or an accord and satisfaction, and the Landlord may accept and cash such cheque or payment without prejudice to the landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease.
- 24.4 **Authorization**: The Landlord and the Tenant covenant that each of them has all requisite power and possesses all licences, franchises, permits, consents and other rights necessary to enable each of them to enter into this Lease. The Tenant covenants, represents and warrants that it is not a party to any agreement which would restrict, or covenant which would prevent or prohibit the Tenant from opening the Demised Premises for business and operating same throughout the Term for the purpose set out in Section 9.1.
- 24.5 **Planning Act**: This Lease is entered into subject to the express condition that it is to be effective only on obtaining such consents, if any, it may be required under Section 50 of the *Planning Act*, R.S.O., 1990, c. P13 or any successor legislation or other statute which may hereafter be passed to take the place of the said Act or to amend the same and provided that such consents are granted on conditions which are acceptable to the Landlord.
- 24.6 **No Partnership or Agency**: The Landlord does not in any way or for any purpose become a partner of the Tenant in the conduct of its business or otherwise or a member of a joint venture or joint enterprise with the Tenant. It is not intended that any agency be established between the Landlord and the Tenant.
- 24.7 **Amendments**: This Lease may not be amended or altered except by instrument in writing signed by the Landlord and the Tenant.
- 24.8 **Notice of Lease**: The Landlord shall have the right to register a notice of this Lease or any permitted assignment of this Lease or any permitted sublease against the title to the Demised Premises, or where the Demised Premises is not

separately parcelized by the land registry office against title to the Building.

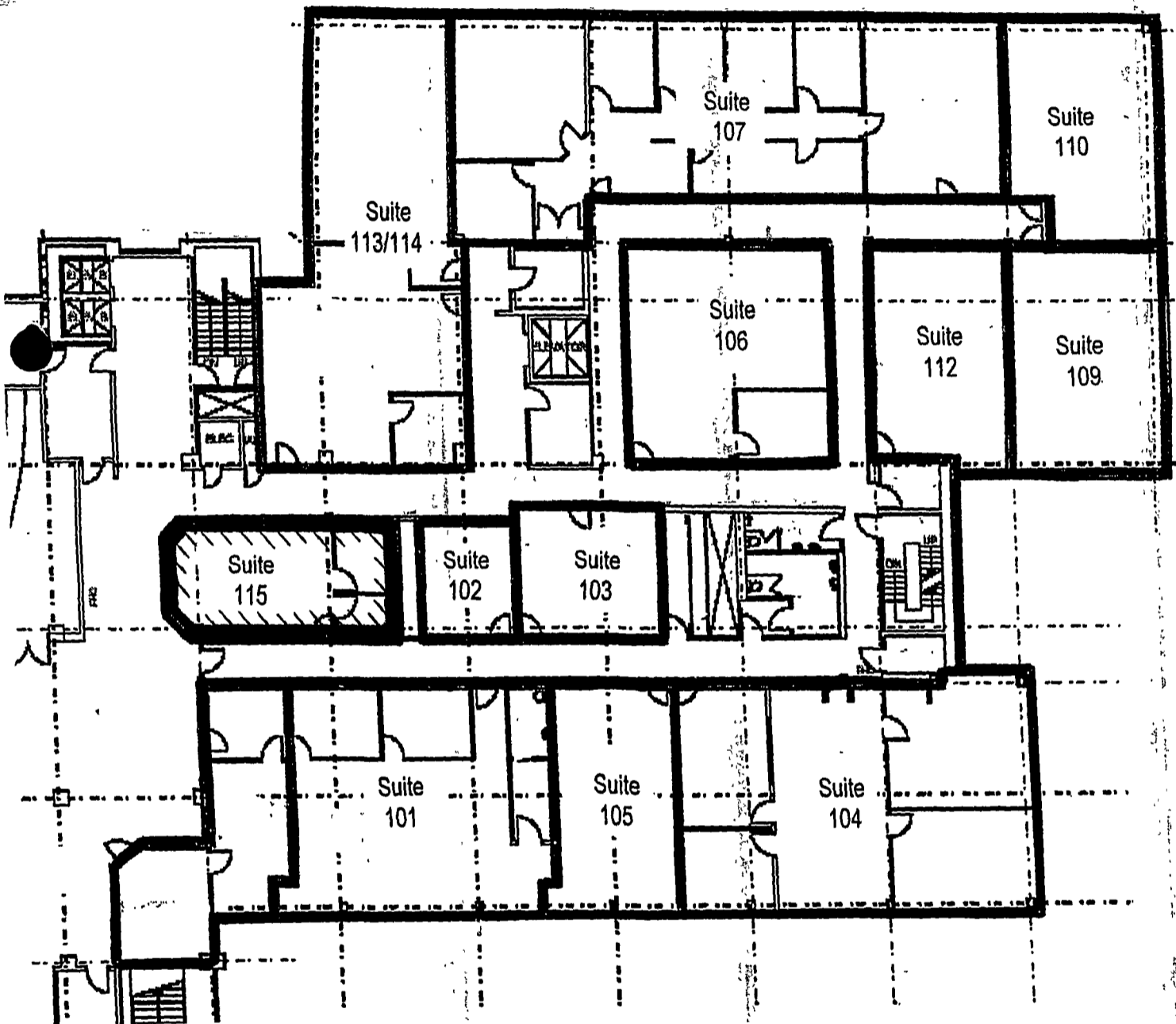
- 24.9 **Waivers:** No waiver or overlooking or condoning by either party of any breach by the other party of any of its covenants, obligations, or agreements under his Lease and none by either party of any term or condition of this Lease shall be a waiver to any subsequent breach or failure or of any other covenant, obligation, agreement, term or condition, nor shall any forbearance 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.
- 24.10 **Severability:** If any covenant, obligation, agreement, term or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable by a court of competent jurisdiction, the remainder of this Lease or the application of such covenant, obligation, agreement, term or condition to person or circumstances other than those to which it is held invalid or enforceable, shall not be affected thereby and each covenant, obligation, agreement, term and condition of this Lease shall be separately valid and enforceable to the fullest extent permitted by law.
- 24.11 **Headings and Notes:** The Article headings, and Section headings of this Lease have been inserted for convenience of reference only and do not form part of this Lease. They shall not be referred to in the interpretation of this Lease.
- 24.12 **Changes Required by Context:** This Lease shall be read with all changes of gender and number required by the context.
- 24.13 **Entire Agreement:** This Lease contains the entire agreement between the parties with respect to the subject matter of this Lease. There is no representation, warranty, collateral agreement or condition affecting the Building, the Demised Premises or this Lease, or supported by this Lease regarding the subject matter of this Lease other than as expressed in this Lease. The Schedules and appendices to this Lease form part of this Lease. The Tenant covenants and acknowledges that it has not executed this Lease by reason of any inducement, representation or warranty that any other person, firm or corporation shall be, shall become or shall remain as a tenant or occupant of the Building.
- 24.14 **Compliance with Laws:** The Tenant shall, at its own expense, comply with and conform to the requirements of every applicable lawful statute, law, by-law and ordinance, and the like.
- 24.15 **Applicable Law:** This Lease shall be construed in accordance with the laws of the Province of Ontario.
- 24.16 **Schedules:** Schedules "A" "B" "C" and "D" attached hereto shall form part of this Lease.
- Schedule A – Description and Sketch to Illustrate Demised Premises
Schedule B - Sketch to Illustrate Common Area
Schedule C- Rules and Regulations
Schedule D – Maintenance and Repair Obligations
- 24.17 **Recitals:** Each of the parties represents and warrants to each of the others that the recitals set out in this Lease are true and correct in substance and fact, as each such recital relates to each party, and are incorporated as an integral part of this Agreement.
- 24.18 **Binding:** All rights and liabilities herein granted to, or imposed upon the respective parties hereto, extend to and bind the successors and assigns of the

Landlord and the heirs, executors, administrators, and permitted successors and assigns of the Tenant, as the case may be. If there is more than one Tenant, they are all bound jointly and severally by the terms, covenants and conditions herein. No rights, however, shall enure to the benefit of any assignee of the Tenant unless the assignment to such assignee has been approved by the Landlord in writing as provided in Article 19 hereof.

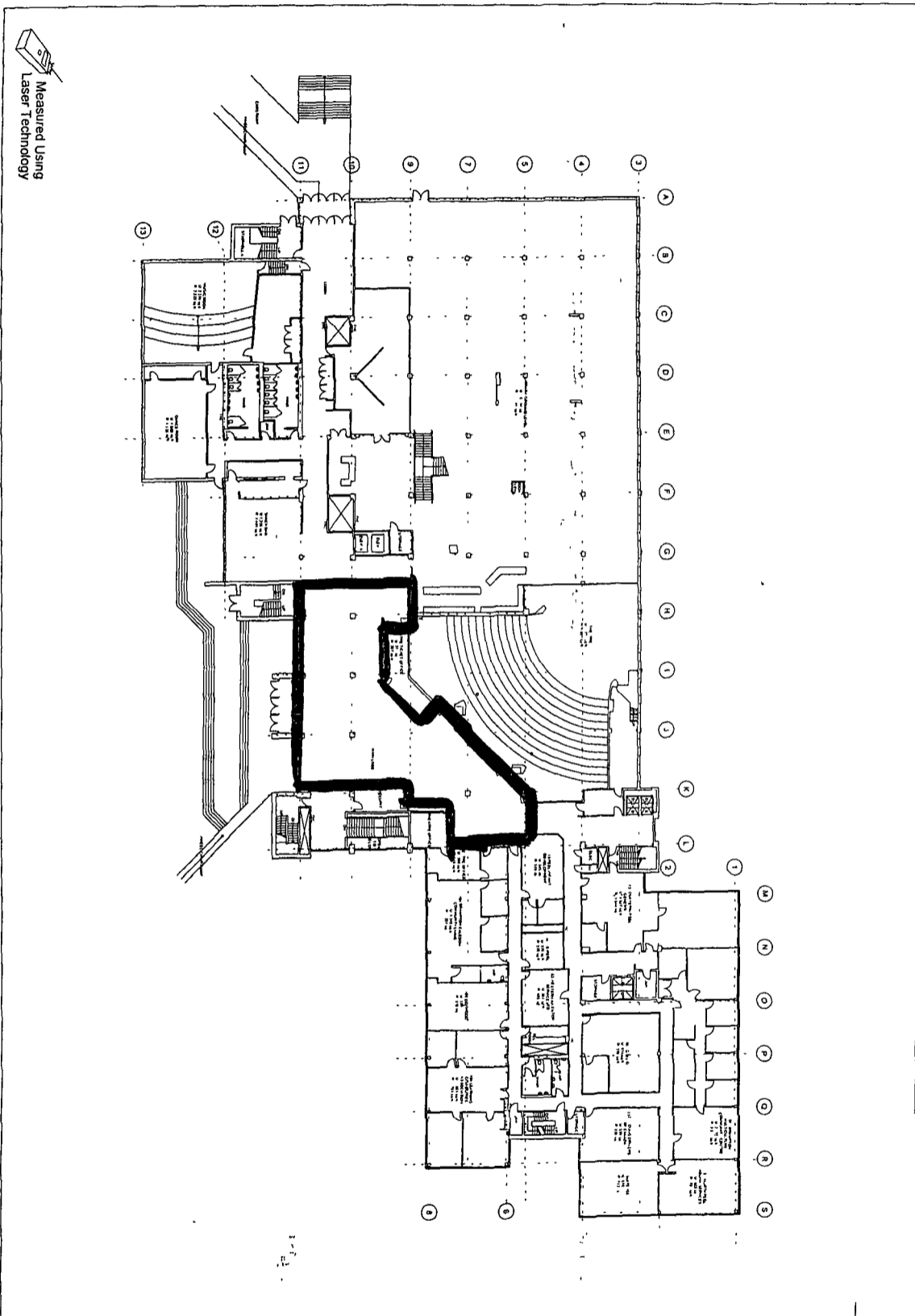
- 24.19 **Fire and Emergency Plan:** The Tenant and its clerks, servants and agents will at all times during the occupancy of the Premises be knowledgeable of the fire plan, said plan available from the property office in suite 015 at the Civic Centre. The Tenant is also responsible for showing to whomever it deems appropriate for the purposes of its Lease of the Demised Premises.
- 24.20 **Fire Wardens:** The Tenant is to ensure that they have designated the required number of staff as fire wardens, and back-up fire wardens, in order to allow for the efficient and safe evacuation of the Tenant's staff during an emergency. The Tenant shall provide to the Landlord, in writing, the names of the fire wardens and their backups, within 5 days of the Tenant executing this Agreement. Should the names of the fire wardens and/or their backups change, the Tenant shall advise the Landlord in writing immediately.
- 24.21 **Authority of Manager of Realty Services:** It is agreed that where this Lease refers to the Manager of Realty Services, the authority of the Manager of Realty Services shall be final and his/her discretion shall not be subject to challenge.
- 24.22 **Signing Authority:** If this Agreement is signed by the Tenant in the name of a corporation, partnership, business, association, club or society, the person or persons, signing represents and warrants that, in the case of a corporation, the corporation is a corporation in good standing and duly organized under the laws of Ontario, and in any case, that she/he has full authority to sign this Agreement and to bind such organization, and that in the event she/he is not so authorized, she/he will be personally liable for the faithful performance of this Agreement.
- 24.23 **Currency:** Unless otherwise indicated, all dollar amounts referred to in this Agreement are in lawful Canadian funds.
- 24.24 **All Documents True and Accurate:** The Tenant covenants that all documents and reports required to be provided from it to the Landlord shall be true and accurate and not in any way falsified.

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SCHEDULE "A"
DESCRIPTION AND SKETCH TO ILLUSTRATE
DEMISED PREMISES



SCHEDULE "B"
SKETCH TO ILLUSTRATE
COMMON AREA



SCHEDULE "C"
RULES AND REGULATIONS

1. The Tenant and its employees, suppliers, and other persons who are not customers having business with the Tenant, shall park their cars in accordance with the terms of this Lease.
2. The plumbing facilities shall not be used for any other purpose than that for which they are intended, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant.
3. (1) The Tenant shall use at the cost of the Tenant such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require.

(2) The Tenant shall take all necessary measures to prevent odours emanating from the Demised Premises, which the Landlord determines are unacceptable. In the event that the Tenant fails to take such measures within the time required by the Landlord, or in the event that such unacceptable odours continue to emanate from the Demised Premises the Landlord, at the cost and expense of the Tenant, shall have the right to perform such remedial work as may be necessary to prevent the continuance of any such odours emanating from the Demised Premises.
4. The Tenant, its employees or agents, shall not mark, paint, drill or in any way deface any walls, ceilings, partitions, floors, wood, stone or iron in the Common Facilities without the written consent of the Landlord.
5. Except for the use of a microwave, coffee maker and toaster oven and as otherwise permitted in the Lease to which these rules and regulation are annexed, the Tenant shall not permit any other cooking activity in the Demised Premises without the written consent of the Landlord, such consent not to be unreasonably withheld or delayed.
6. No sidewalk, entry, passageway, loading dock or staircase shall be obstructed or used by the Tenant, its officers, agents, servants, employees, contractors, customer invitees or licensees for any purpose other than ingress to and egress from the Demised Premises.
7. The Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees shall not bring in or take out, position, construct, install or move any safe or other heavy equipment or furniture without first obtaining the consent in writing of the Landlord. In giving such consent, the Landlord shall have the right, in its sole discretion, to prescribe the weight permitted and the position thereof, and the use and design of planks, skids or platforms to distribute the weight thereof. All damage done to the building by moving or using any such safe, heavy equipment or furniture shall be repaired at the expense of the Tenant. The moving of all equipment and furniture shall occur only during those hours when the Building shall not be open for business or any other time consented to by the Landlord and the persons employed to move the same in and out of the Demised Premises shall be acceptable to the Landlord.
8. All persons entering and leaving the Building at any time other than during normal business hours shall register in the books, if any, kept by the Landlord and the Landlord will have the right to prevent any person from entering or leaving such Building unless provided with a key to the premises to which such

person seeks entrance or a pass in a form to be approved by the Landlord. Any persons without such key or passes will be subject to the surveillance of the employees and agents of the Landlord. The Landlord shall be under no responsibility for failure to enforce this rule.

9. The Tenant shall not place or cause to be placed any additional locks upon any doors of the Demised Premises without the approval of the Landlord and subject to any conditions imposed by the Landlord, such approval not to be unreasonably withheld or delayed.
10. No one shall use the Demised Premises for sleeping apartments or residential purposes, or for the storage of personal effects or articles other than those required for the purposes permitted by the Lease to which these rules and regulations are annexed.
11. Any hand trucks, carryalls, or similar appliances used in the Building shall be equipped with rubber tires, side guards and such other safeguards as the Landlord shall require.
12. No animals or birds shall be brought into the Demised Premises except as permitted by the Lease to which these rules and regulations are annexed.
13. The Tenant shall securely bag all garbage and place same, along with recycling material for pick up in the container provided by the Landlord in a manner required by the Landlord.

SCHEDULE "D"
MAINTENANCE AND REPAIR OBLIGATIONS

Maintenance and Security Numbers for Corporate Properties:

Corporate Properties Maintenance - City Hall:	905-874-2133
Security - City Hall:	905-874-2111
Corporate Properties Maintenance - Civic Centre:	905-793-2511
Security - Civic Centre:	905-874-2929

COB - City of Brampton responsible for maintenance/repair and cost

Tenant - Tenant responsible for maintenance/repair and cost with City's Approval

CTC - City responsible for maintenance/repair at tenant's cost

Heating and Air Conditioning

i)	Preventive and Demand Maintenance of installed HVAC systems, including belt and filter replacements.	COB
ii)	Cleaning of ducts, when deemed necessary.	CTC
iii)	Repairs or replacement due to damage/neglect by occupants or operations.	CTC
iv)	Maintenance and repair of building automation controls.	COB
v)	Life cycle replacement due to fair wear and tear.	COB

Windows

i)	Breakage repair.	COB
ii)	Life cycle replacement of exterior windows due to fair wear and tear.	COB
iii)	Repairs or replacement except for any damage due to the act, omission or negligence by the tenant or occupant.	CTC
iv)	Repairs to interior windows.	Tenant
v)	Cleaning of exterior building windows.	COB
vi)	Cleaning of interior windows.	COB

Security Components

i)	Repair, replacement and re-keying of all locks for exterior doors.	COB
ii)	Repair, replacement and re-keying of all locks for interior doors.	CTC
iii)	Operation and maintenance of intrusion alarm system.	Tenant
iv)	Corporate Security services.	COB

Doors

i)	Repair of exterior doors.	COB
ii)	Life cycle replacement of exterior doors due to fair wear and tear.	COB
iii)	Repair or replacement of exterior doors due to damage/	

- | | | |
|-----|--|---------------|
| iv) | neglect by occupant or operations.
Repair or replacement of all interior doors. | CTC
Tenant |
|-----|--|---------------|

Plumbing

- | | | |
|------|--|-----|
| i) | Preventive maintenance to hot water systems. | COB |
| ii) | Repairs to all faucets, unplugging toilets, and routine repairs to all fixtures. | COB |
| iii) | Life cycle replacement of fixtures due to fair wear and tear. | COB |
| iv) | Repairs or replacements due to damage/neglect by occupant or operations. | CTC |

Sprinkler System

- | | | |
|------|--|-----|
| i) | Preventive maintenance and repairs including annual inspection. | COB |
| ii) | Life cycle replacement due to fair wear and tear. | COB |
| iii) | Repairs or replacement due to age or fair wear and tear. | COB |
| iv) | Repairs or replacements due to damage/neglect by occupant or operations. | CTC |
| v) | Repairs to meet Ontario Fire Code due to tenant renovations. | CTC |

Lighting

- | | | |
|------|--|-----|
| i) | Inspection, maintenance and repair of emergency lighting and exit lighting. | COB |
| ii) | Maintenance and repair of all interior building lighting including bulb replacement. | COB |
| iii) | Life cycle replacement of interior fixtures due to fair wear and tear. | COB |
| iv) | Repair of existing exterior lights, including bulb replacement. | COB |
| v) | Life cycle replacement of exterior fixtures due to fair wear and tear. | COB |
| vi) | Cleaning of interior light fixtures. | COB |
| vii) | Installation and maintenance of additional lighting requested by the occupant. | CTC |

Flooring

- | | | |
|-----|--|-----|
| i) | Repairs to flooring finishes including carpets, tiles, vinyl, or ceramic flooring. | COB |
| ii) | Installation and maintenance of additional floor coverings provided by the occupant. | CTC |

Electrical

- | | | |
|-----|---|-----|
| i) | Repairs or replacement of existing building electrical service. | COB |
| ii) | Upgrades required by Code. | COB |

iii)	Extensions, increases, or enhancements, to meet occupant's needs including future maintenance.	CTC
iv)	Repair or replacement of switches, receptacles or cover plates.	COB
v)	Electrical panel box and breaker maintenance.	COB
vi)	Repairs or replacements due to damage/neglect by occupant or operations.	CTC
vii)	Repairs to meet Code due to tenant renovations.	CTC

Fire Alarm System

i)	Annual inspection and preventive maintenance.	COB
ii)	Repairs due to normal wear and tear.	COB
iii)	Life cycle replacement of system due to fair wear and tear.	COB
iv)	Repairs and operating costs due to damage/neglect by occupant or operations.	CTC
v)	Repairs to meet Ontario Fire Code due to tenant renovations.	CTC

Interior Decorations

i)	All interior painting.	Tenant
ii)	Provision, maintenance and cleaning of window applications including, but not limited to, blinds and curtains.	COB
iii)	Repairs to interior walls, ceilings, floors due to damage/neglect by occupant or operations.	Tenant
iv)	Repairs due to building structural failures such as roof leaks, weather walls and foundation leaks not caused by the occupant or operations.	COB
v)	Provision, installation, and maintenance of interior and exterior signs.	COB
vi)	Installation and maintenance of interior structures such as office walls, partitions, shelving, and cabinets.	Tenant

Major Structural Systems

i)	Repairs or replacements of exterior wall assemblies including weather walls, sub-floors, roofs, bearing walls, and structural columns and beams.	COB
ii)	Repairs and painting of exterior surfaces including windows, trim, fascia and soffits.	COB

Equipment and Furnishings

i)	Provision and maintenance of all furnishings and appliances incl refrigeration, chairs and desks.	Tenant
ii)	Provision and maintenance of telephone and	

other communication equipment.

Tenant

Site Services

i)	Landscaping repairs and maintenance.	COB
ii)	Grass cutting.	COB
iii)	General cleaning of grounds, litter disposal within the area.	COB
iv)	Snow and ice removal from steps, walkways, entrances.	COB
v)	Removal of snow from parking areas.	COB
vi)	Provision of de-icing materials.	COB
vii)	Application of de-icing materials.	COB
viii)	Repairs to water and sewage systems.	COB
ix)	Maintenance and repair of paved parking areas.	COB
x)	Repairs to sidewalks.	COB

Janitorial Services

i)	Provision of routine janitorial services.	COB
ii)	Provision of washroom and cleaning supplies.	COB
iii)	Garbage and waste disposal.	COB
iv)	Pest control services.	COB

*All items listed under the Maintenance and Repair Obligations are to be used as a guideline, the lease agreement will supersede any discrepancies.

**While the tenant may be responsible for items listed in the Maintenance and Repair Obligations, all work must still have the prior written approval of the Property Supervisor or their designate.

Management & Administrative Services

Date: January 25, 2008

To: Clerk's Office (original)
Dan McLaughlin (original)
Jeff Lane (copy)

From: Rosanne Reda, Realty Services

Subject: Lease with Learning Disabilities of North Peel
Civic Centre, Suite 104
Our File No. L16CC.104

Attached, for your records, is a copy of the above-referenced Agreement.

Thank You,

Rosanne Reda
Realty Services
City of Brampton
905-874-2869

LEASE AGREEMENT

THE CORPORATION OF THE CITY OF BRAMPTON
(the "Landlord")
OF THE FIRST PART

-and-

LEARNING DISABILITY ASSOCIATION OF NORTH PEEL
(the "Tenant")
OF THE SECOND PART

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LEASE

THIS LEASE is made in quadruplicate and effective as of this 1st day of January, 2007 (the "Lease")

BETWEEN

THE CORPORATION OF THE CITY OF BRAMPTON
(the "Landlord")
OF THE FIRST PART

-and-

LEARNING DISABILITY ASSOCIATION OF NORTH PEEL
(the "Tenant")
OF THE SECOND PART

File: L16CC 104

WHEREAS the Landlord is the owner of 150 Central Park Drive, Brampton Ontario;

AND WHEREAS the Tenant had entered into an agreement with the Landlord for the premises, commencing on December 1, 2002 and expiring on November 30, 2003.

AND WHEREAS the Tenant exercised their option to renew contained in the agreement, for one additional term of one year.

AND WHEREAS the agreement expired on November 30, 2004 and the Tenant has been holding over as a month-to-month Tenant, since that time;

AND WHEREAS the Tenant wishes enter into a new Lease for Unit 104 from the Landlord;

NOW THEREFORE this Lease witnesses that in consideration of the obligations hereinafter provided, and the sum of \$2.00, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

ARTICLE 1 DEFINITIONS

1.1 Definitions

- (a) "Additional Rent" means any and all sums of money or charges required to be paid by the Tenant under this Lease (except Rent) whether or not the same are designated "Additional Rent" or whether or not the same are payable to the Landlord or otherwise, and all such sums are payable in lawful money of Canada without any deduction, set-off or abatement whatsoever, unless otherwise provided for in this Lease. Additional Rent is payable with the Rent, in advance, on the first day of each month in advance.
- (b) "Building" means that building owned by the Landlord upon the Land, defined in Section 1.1(f), and every enlargement, amendment or reduction thereof or addition thereto and of which the Demised Premises, defined in Section 1.1(d), forms a part; and includes the Common Facilities, defined in Section 1.1(c), structures, fixtures, heating, ventilation, air-conditioning, sprinkler and mechanical and electrical equipment and machinery, and water, gas, sewage, telephone and other communications facilities and electrical power services and utilities comprised therein, belonging thereto, connected therewith or

used in the operation thereof and now or hereafter constructed, erected and installed therein and thereon, but excludes all non-Leasehold Improvements made, constructed, erected or installed by or on behalf of any tenant or occupant of premises therein.

- (c) "Common Facilities" means any common areas, facilities and utilities from time to time furnished or designated by the Landlord (as the same from time to time may be altered, reconstructed, reduced or expanded) in the Building for the general use or benefit in common in such manner as the Landlord may permit, of Tenants and/or occupants of premises in the Building and all others entitled thereto and now or hereafter developed or designated by the Landlord, including, without limiting the generality of the foregoing, all mechanical, sprinkler and electrical equipment and machinery and water, gas, sewage, and other communications infrastructure and electric power services and utilities (not comprised within any leasable premises in the Building for the exclusive use of such premises), and also including parking area and parking structures, access roads, driveways, entrances and exits, sidewalks, ramps, landscaped areas, exterior irrigation systems, delivery areas, mechanical and electrical rooms, any common washrooms, garbage and recycling facilities; Common Facilities also includes the roof, exterior weather walls, exterior and interior structural elements and bearing walls in the Buildings;
- (d) "Demised Premises" means the premises comprising a Gross Leasable Area of approximately one thousand seven hundred and sixty eight square feet (1768 sq.ft), as shown in bold outline on Schedule "A" attached hereto, in accordance with Section 3.1 of this Lease. Included in this is the Lessee's proportionate share of the common area of the Building being one hundred and seven square feet (107 sq.ft).;
- (e) "Gross Leasable Area" means the area of any leasable portion of the Building including the Demised Premises calculated in accordance with Section 3.1. Gross Leasable Area of any premises includes all interior space whether or not occupied by projections, structures, stairs or columns, structural or non-structural;
- (f) "Land" means that certain parcel or tract of land on which the Building is located and which together with the Building is known municipally as 150 Central Park Drive, Brampton, Ontario.
- (g) "Landlord" includes the Landlord and its successors and assigns;
- (h) "Lease Commencement Date" means the date set out in section 4.1 as signifying the commencement of the Term;
- (i) "Lease Year" means a period of time, the first Lease Year commencing on the Lease Commencement Date and ending on the last day of the twelfth month thereafter. Each subsequent Lease Year commences on the first day following the expiration of the preceding Lease Year and terminates on the expiration of twelve (12) months thereafter or on the termination of this Lease;
- (j) "Leasehold Improvements" means all fixtures (including all light fixtures), improvements, installations, alterations and additions from time to time permanently affixed to or attached to the Demised Premises, including all partitions however affixed and all carpeting and floor coverings affixed in any way to the Demised Premises, lighting tracks, ballasts, and the grill and other security or locking device securing the Demised Premises, but specifically excludes all chattels or other movable trade fixtures, furniture and equipment not otherwise permanently affixed or attached to the Demised Premises;

- (k) "Real Property Taxes" means all real estate taxes, local improvement rates, school taxes, levies, rates, duties, assessments and charges from time to time imposed against the Building, buildings structures and improvements by municipal or other governmental authorities having jurisdiction, and all taxes, levies, rates, duties, assessments and charges which may at any time be substituted therefore or replace the same and includes the cost of all appeals of any assessment or levy made against the Building or any part thereof. Real Property Taxes and Capital Taxes shall not include Landlord's income taxes;
- (l) "Rent" includes all sums payable by the Tenant under this Lease except Additional Rent and exclusive of applicable GST, which is to be calculated separately;
- (m) "Stipulated Rate of Interest" means the prime lending rate for commercial customers as established by the Landlord's bank from time to time plus two (2%) percent;
- (n) "Tenant" includes the Tenant and its successors and permitted assigns;

ARTICLE 2 INTENT AND INTERPRETATION

- 2.1. **Net Lease:** The Tenant acknowledges and agrees that (a) it is intended that this Lease is completely carefree to the Landlord, except as expressly herein set out, and that the Landlord shall not be responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Demised Premises, the contents, the use or occupancy thereof, or the business carried on therein, unless otherwise indicated in this Lease, and (b) the Tenant shall pay all charges, impositions, costs and expenses of every nature and kind, extraordinary as well as ordinary and foreseen as well as unforeseen, relating to the Demised Premises, the contents, the use or occupancy thereof, or the business carried on therein, and (c) any amount and any obligation which is not expressly declared in this Lease to be the responsibility of the Landlord shall be the responsibility of the Tenant to be paid or performed by or at the Tenant's expense in accordance with the terms of this Lease.
- 2.2. **Obligations as Covenants:** Each obligation or agreement of the Landlord or the Tenant expressed in this Lease, even though not expressed as a covenant, is considered to be a covenant for all purposes.
- 2.3. **Headings:** The headings introducing sections and articles in this Lease are inserted for convenience of reference only and in no way define, limit, construe or describe the scope or intent of such sections or articles.

ARTICLE 3 DEMISE

- 3.1. **Demised Premises:** The Landlord hereby demises and leases the Demised Premises to the Tenant and the Tenant hereby leases the Demised Premises from the Landlord, at the Rent, subject to the conditions, and in accordance with the covenants, obligations and agreements contained in this Lease.

The boundaries of the Demised Premises, as shown on Schedule "A" attached hereto, extend:

- (a) to the exterior face of all exterior walls, doors and windows;
- (b) to the exterior face of all interior walls, doors and windows separating the Demised Premises from the Common Facilities, if any; and
- (c) to the centre line of all interior walls separating the Demised Premises from adjoining premises; and
- (d) from the top surface of the structural subfloor to the bottom surface of the structural ceiling.

3.2 **Condition of Demised Premises**: The Tenant has inspected and accepts the condition of the Demised Premises as of the date of the commencement of the Term. The Tenant acknowledges that the Premises will be subject to a yearly inspection and a final inspection, prior to the expiration of the term, in accordance with the provisions of Section 15.2.

3.3 **Common Facilities**: The use and occupation by the Tenant of the Demised Premises includes the non-exclusive and non-transferable licence to use, in common with others entitled thereto, and for the purposes for which they are intended and during such hours as the Building may be open for business, as determined by the Landlord from time to time, the Common Facilities provided by the Landlord from time to time, subject in each case, to the provisions of this Lease and to the reasonable rules and regulations for the use thereof as prescribed in writing and delivered to the Tenant from time to time by the Landlord. The Building and the Common Facilities and such other area, facilities, utilities and improvements provided by the Landlord from time to time for the general use, in common, of tenants, are at all times subject to the exclusive control and management of the Landlord. Without limiting the generality of the foregoing, the Landlord has the right, in its control, management and operation of the Building at all times throughout the Term to:

- (a) grant, modify and terminate easements or other agreements pertaining to the use and maintenance of all or any parts of the Building;
- (b) on fourteen (14) days written notice to the Tenant, temporarily close-off all or any part of the Building for the purpose of maintenance or repair or for the purpose of security or when only a portion or portions of the Building are operating so long as such closing off does not unreasonably interfere with access to or from the Demised Premises except in the case of emergencies, as indicated in clause 15.5;
- (c) use any part of the Building, from time to time, for merchandising, display, decorations, entertainment and structures designed for special features or promotional activities, provided such use does not interfere with access to or from the Demised Premises;
- (d) designate the area and entrances and the time in, through and at which loading and unloading of goods shall be done;
- (e) designate and specify the kind of container to be used for garbage, recycling and refuse and the manner and the times and places at which same is to be placed for collection, the initial purchasing costs of which shall be paid by the Landlord (any replacement containers due to damage

or theft shall be the responsibility of the Tenant);

- (f) from time to time, change the area, arrangement or use of the Building or any part thereof provided such change in the area, arrangement or use does not materially interfere with the Tenant's use or access to or from the Demised Premises;
- (g) to grant to the Tenant an exclusive right to use the Common Area, located outside the front of the theater, and as shown on Schedule B, as available, for a maximum of five (5) days, up to two times a year, in which to promote their business. This may include the set up of an information booth, or tables for the purpose of fundraising. The Tenant must schedule and obtain approval for such dates and times through the Property Manager's office, sixty (60) days prior to the event, in advance;
- (h) do and perform such other acts in and to the Building, as in the use of good business judgment, the Landlord determines to be advisable and not detrimental to the operations of the Tenant.

Notwithstanding anything in this Lease contained, it is understood and agreed that if by exercising rights set out in this Section 3.2, the Common Facilities are diminished or altered in any manner whatsoever, the Landlord is not subject to any liability nor is the Tenant entitled to any compensation or diminution or abatement of Rent, nor shall the exercise by the Landlord of such rights be deemed constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease.

3.4 Rules and Regulations: The Rules and Regulations adopted and promulgated by the Landlord from time to time, provided same are reasonable, are hereby made a part of this Lease as if they were embodied herein, and the Tenant shall comply with and observe them. The Rules and Regulations existing as at the Commencement Date are those set out in Schedule "C" attached hereto. The Landlord reserves the right from time to time to amend, supplement, suspend or cancel any or all of the Rules and Regulations applicable to the Demised Premises or the Building. The Rules and Regulations may differentiate between different types of businesses. Notice of the Rules and Regulations and amendments and supplements, if any, shall be given to the Tenant and the Tenant shall thereupon comply with and observe all such Rules and Regulations. If any such Rules and Regulations conflict with any provision of this Lease, the Landlord may apply whichever it deems to be more appropriate for the best interest of the safety and operation of the Demised Premises, Building and Land. The Landlord shall not be liable or responsible to the Tenant for the non observance or violation of any such Rules and Regulations or of any of the terms, covenants or conditions of any other lease of premises within the Building and shall be under no obligation to enforce any such Rules and Regulations or terms, however, the Landlord shall not be negligent in its enforcement of such Rules and Regulations.

3.5 Utilities: The Landlord and any agency (whether governmental or otherwise) owning or operating a public utility as that term is defined in the *Public Utilities Act*, R.S.O. 1990, c. P.52, and any agency (whether governmental or otherwise) owning or operating a public utility for electrical power or energy as amended, and their respective successors and assigns shall have the right:

- (a) to install, maintain, repair, replace, reconstruct, enlarge, inspect or test any pipes, cable, meters or other plant whatsoever on, under or adjacent to the Demised Premises as part of, appurtenant to or in connection with any such public utility, and

- (b) by their respective officers, employees, agents and contractors, to enter upon the Demised Premises, with or without all necessary or convenient gear and equipment, for the purposes set out in 3.4 (a) hereof.

ARTICLE 4 TERM

- 4.1 **Term**: The Tenant shall have and hold the Demised Premises for and during the Term which shall be, unless sooner terminated pursuant to the other provisions of this Lease, the period of five (5) years, commencing on the 1st day of January, 2007 (the "Lease Commencement Date") and to be fully completed and ended on the 31st day of December, 2011 (the "Term").
- 4.2 **Early Termination**: Provided that the Tenant is not in default and has not assigned or sublet its interest in accordance with this Lease and is then occupying all of the Demised Premises, the Tenant shall have the option of terminating this Lease without penalty effective on any annual anniversary date of the Lease Commencement Date, provided that the Tenant provides the Landlord with at least six (6) months prior written notice of its intention to do so.
- 4.3 **Liability on Termination**: The termination of this Lease by expiry or otherwise shall not affect the liability of the Tenant to the Landlord for any obligation under this Lease which has accrued up to the date of such termination, but has not been properly satisfied or discharged.

ARTICLE 5 RENEWAL

- 5.1 **Option to Renew**: The Tenant, when not in default, shall have the option of renewing the within Lease for one (1) additional term of five(5) years (the "Renewal Term") upon the expiration of the Term, provided that the Tenant shall give to the Landlord notice in writing of the exercise of such option at least nine (9) months prior to the expiration of the Term, but such written notice may not and shall not be given earlier than twelve (12) months prior to the expiration of the Term. The Tenant may only apply such option to renew, provided that the Tenant has not been in default throughout the Term and provided the Tenant is not in default of the Lease at the time it provides notice that it would like to renew, unless the Landlord, in its sole discretion, waives such default for the purposes of the renewal. In the event that the Tenant exercise the option as aforesaid, then the Renewal Term shall be upon the same terms and conditions as contained in this Lease save and except that:
- (a) there shall be no additional option to renew;
 - (b) with respect to such Renewal Term, the Landlord shall have no obligation to pay to the Tenant any Tenant's allowance, or inducement to the Tenant (including without limitation any rent free period), or to do or perform any work in, on to or for the Demised Premises; and
 - (c) the Rent in the Renewal Term shall be the fair market rent for the Demised Premises as at the date the option to renew is exercised. If the parties are unable to agree as to fair market rent for the Renewal Term, then fair market rent shall be determined by arbitration pursuant to the *Arbitration Act, 1991*, S.O. 1991, c. 17, as amended, with the cost of such arbitration to be borne equally by the parties.

**ARTICLE 6
RENT**

6.1 **Rent:** The Tenant shall pay to the Landlord in lawful money of Canada, and without deduction, abatement or set-off, the following Rent for the Demised Premises:

(a) at a **GROSS RENT** for the first year of the term (being January 1, 2007 to December 31, 2007) of thirty three thousand nine hundred and seventy five dollars and thirty six cents (\$33,975.36) plus G.S.T. payable in advance in equal monthly installments of two thousand eight hundred and thirty one dollars and twenty eight cents (\$2,831.28) plus G.S.T..

(b) At a **GROSS RENT** for the second year renewal term in accordance with the following table:

Renewal Term	Time Period	RENT (G.S.T. additional)
2	Jan.01/08 –Dec.31/08	\$33,975.36 per annum, plus percentage increase in CPI from January 2007 to December 2007
3	Jan.01/09 –Dec.31/09	\$33,975.36 per annum, plus percentage increase in CPI from January 2007 to December 2008
4	Jan.01/10 –Dec.31/10	\$33,975.36 per annum, plus percentage increase in CPI from January 2007 to December 2009
5	Jan.01/11 –Dec.31/11	\$33,975.36 per annum, plus percentage increase in CPI from January 2007 to December 2010

Rent payments and applicable GST are due on the first (1st) day of each month.

**ARTICLE 7
PAYMENT OF RENT**

7.1 **Covenant to Pay Rent:** The Tenant covenants to pay Rent. The Tenant waives the benefit of Section 35 of the *Commercial Tenancies Act*, R.S.O. 1990, c.L.7, as amended, or any statute that may be substituted therefore, and agrees to pay Rent without any deduction, abatement or set-off whatever. Rent payments and applicable GST are due on the first (1st) day of each month.

7.2 **Arrears of Rent:** All Rent in arrears shall bear interest at the Stipulated Rate of Interest from the date on which the same became due until the date of payment thereof.

**ARTICLE 8
TAXES, CHARGES, ETC.**

8.1 Property Taxes Payable by Tenant

- (a) The Tenant shall pay as Additional Rent directly to the Landlord the Tenant's share of Real Property Taxes as determined pursuant to this Section.
- (b) The Tenant's share of Real Property Taxes shall be the portion of the Real Property Taxes that are attributable to the Demised Premises, as determined by the Landlord, acting reasonably. Without limiting the foregoing, the following provisions shall apply:
 - (i) the Landlord shall be entitled, but not obligated, to allocate Real Property Taxes amongst categories of premises in the Building on the basis of such factors as the Landlord determines to be relevant and to adjust the Tenant's share of Real Property Taxes based on such allocation;
 - (ii) if there are separate assessments (or, in lieu of separate assessments, calculations made by authorities having jurisdiction from which separate assessments may, in the Landlord's opinion, be readily determined) for the Premises for Real Property Taxes, the Landlord may have regard thereto;
 - (iii) nothing herein shall compel or require the Landlord to adjust, continue to adjust or to make the same determination or allocation of Real Property Taxes from year to year or in any fiscal year; and
 - (iv) for the purposes of determining the share of Real Property Taxes payable by the Tenant pursuant to this Lease, Real Property Taxes shall include such additional amounts as would have formed part of Real Property Taxes had the Building been fully assessed during the whole of the relevant fiscal year as fully completed and fully occupied by tenants, with no special exemptions or reductions, and without taking into account any actual or potential reduction of Property Taxes or change of assessment category or class for premises within the Building which are vacant or underutilized.

8.2 Charges and Terms for Utilities:

- (a) The Landlord shall be responsible for payment of the total cost (including any penalties and interest) of supplying water, fuel, power and other utilities (the "Utilities") used or consumed in or with respect to the Demised Premises and the cost of any other utility charges levied or assessed against the Demised Premises in lieu of or in addition to such Utilities.
- (b) Notwithstanding clause 8.2(a) of this Lease, in the event of any consumption of water or natural gas either by reason of the character of the business carried on by the Tenant or by the use of mechanical or other contrivances, the quantity of which is deemed abnormal by the Landlord, the Tenant consents to the installation of a water or natural gas meter at the Tenant's reasonable expense and in a location agreed to by the Landlord and the Tenant, and the Tenant further agrees to pay for the excess water or natural gas consumed on the Demised Premises as Additional Rent.

- (c) In no event is the Landlord liable for, nor has the Landlord any obligation with respect to an interruption or cessation of or a failure in the supply of any such Utilities, services or systems in, to or serving the Building or the Demised Premises, whether or not supplied by the Landlord or other, unless such interruption or cessation is caused by the negligent act or negligent omission of the Landlord or those for whom the Landlord is responsible in law.

8.3 **Heating, Ventilating and Air-conditioning:** Throughout the Term, the heating, ventilating and air-conditioning equipment within and serving the Demised Premises, shall be used, controlled and maintained in accordance with the Maintenance and Repair Obligations schedule (Schedule C) to this Agreement. If the Tenant fails to comply with such stipulations and rules and regulations and/or any of its obligations in such schedule, within fifteen (15) days following receipt of a written notice to comply, the Landlord shall be entitled to take such steps as it deems advisable to correct such default (including, without limitation, entering upon the Demised Premises and assuming control of such equipment), without liability to the Tenant, and the Tenant will pay to the Landlord forthwith upon demand as Additional Rent all reasonable costs and expenses incurred by the Landlord in so doing.

8.4 **Audit:** The Tenant shall provide such information as to the Tenant's or any indemnitor's financial standing and corporate organization as the Landlord requests (either audited or not, at the Landlord's discretion), at the Tenant's expense, within seven (7) calendar days of receipt of such request.

ARTICLE 9 USE OF DEMISED PREMISES

9.1. **Use:** The Tenant shall use the Demised Premises solely for the purpose of providing services to the learning disabled. The Tenant will not use or permit, or suffer the use of the Demised Premises or any part thereof for any other business or purpose, without the prior written consent of the Landlord.

9.2 **Conduct of Tenant's Use:** In the conduct by the Tenant of its use in Section 9.1 at the Demised Premises, the following provisions apply.

- (a) The Tenant shall operate its said business in a lawful manner seven (7) days per week between the hours of 8:00 am, to 9:00 p.m., or as otherwise determined by the Tenant, including additional hours for custodial services.
- (b) The Tenant shall maintain an appropriate level of lighting for the Demised Premises during the hours that the Demised Premises are in use.
- (c) The Tenant shall not do, nor suffer or permit to be done, any act in or about the Common Facilities or the Building which, in the Landlord's reasonable opinion, hinders or interrupts the flow of traffic to, in and from the Building and not do nor suffer or permit anything to be done which, in the Landlord's opinion acting reasonably, in any way obstructs the free movement of any person doing business in the Building with any tenant or occupant of the Building.
- (d) The Tenant shall not, nor shall it suffer or permit its employees or agents to, solicit business in any of the Common Facilities, nor display any merchandise elsewhere within the Building outside the Demised Premises

at any time without the prior written consent of the Landlord.

- (e) The Tenant shall not use any loudspeakers, television, phonographs, radios or other devices in a manner so that they can be heard or seen outside of the Demised Premises without the prior written consent of the Landlord.
- (f) The Tenant shall not permit any odors, gases, dust, smoke, fumes, vapors, steam, water, cinders, soot, vibrations, noises or other undesirable effects to emanate from the Demised Premises or any equipment, system, facility or installation therein which, in the Landlord's reasonable opinion, are objectionable or cause any interference with the safety, comfort or convenience of the Landlord or any tenants or occupants of the Building or their customers or invitees, or do or suffer any act or thing which may materially disturb the quiet enjoyment of any occupant of the Building, or of any part of the Building, or which may result in a nuisance. If the Tenant is in default of any of the foregoing, the Landlord shall have the right to inform the Tenant in writing, its manager, or any other person apparently in charge of the Demised Premises of the matter, whereupon the Tenant shall take such steps as are necessary to cure any such default and complete such remedial work as is reasonably requested by the Landlord within a reasonable amount of time given the nature of the work required.
- (g) The Tenant shall keep the Demised Premises in a clean and well-ordered condition, to the satisfaction of the Manager of Realty Services.
- (h) The Tenant shall not keep or store or place or permit to be kept, accumulated, stored or placed any waste or refuse upon the Demised Premises, the Building or the Land.
- (i) The Tenant shall adhere to speed limit and directional signs in the parking lot and access routes on the Lands, and shall not block loading dock or access areas.
- (j) The Tenant shall not park, keep or locate on the parking area within the Common Facilities any trailers or other vehicles (particularly those bearing advertising information) except in the bona fide course of deliveries or pick-ups being made to or from the Demised Premises for the purpose of the Tenant carrying on its business.
- (k) The Tenant shall not knowingly park nor permit or suffer to be parked any motor vehicle overnight anywhere on the Land.
- (l) The Tenant shall not cause, permit or suffer any machines selling merchandise or vending services, including vending machines and machines operated by coins, credit cards or otherwise, to be present in the Demised Premises, unless expressly permitted by this Lease or in writing by the Landlord, such consent not to be unreasonably withheld or delayed.
- (m) The Tenant shall not have or permit to be or suffer on the Demised Premises any machines providing arcade type entertainment, whether operated by coins, credit cards or otherwise, unless expressly permitted by this Lease or in writing by the Landlord.
- (n) Any business conduct or practice promulgated, carried on or maintained by the Tenant, whether through advertising or selling procedures or otherwise, which in the opinion of the Landlord, acting reasonably, may

harm or tend to harm the business or reputation of the Landlord or reflect unfavorably on the Building, the Landlord or other tenants in the Building, or which may confuse, mislead, deceive or be fraudulent to the public, shall be immediately discontinued by the Tenant following the written request of the Landlord.

- (o) Upon termination of the tenancy, the Tenant shall, at its own risk and expense, remove from the Demised Premises, any chattels (and other moveable trade fixtures, furniture and equipment) belonging to it, and repair any damage caused by such removal, and leave the Demised Premises clean, level, neat, and free of all waste material, debris and rubbish, all to the satisfaction of the Manager of Realty Services.

ARTICLE 10 CONSTRUCTION, ALTERATIONS, SIGNS & ADVERTISING

10.1 The Landlord's Approval of the Tenant's Alterations:

- (a) The Tenant shall not make, or permit to be made, any Leasehold Improvements to, in, or for the Demised Premises or any part thereof without, in each instance, first obtaining the Landlord's written approval thereto, which consent will not be unreasonably withheld or delayed. Prior to commencing any such Leasehold Improvements, the Tenant shall submit to the Landlord:
 - (i) details of the proposed Leasehold Improvements including detailed drawings and specifications prepared at the Tenant's expense;
 - (ii) evidence satisfactory to the Landlord that the Tenant has obtained, at the Tenant's expense, all necessary consents, permits, clearances, licences and inspections from all governmental and regulatory authorities having jurisdiction, and
 - (iii) evidence of such increases in Insurance as the Landlord requires in writing. The Tenant shall perform, or cause such Leasehold Improvements to be performed.
- (b) The Tenant shall make or cause to be made, any permitted Leasehold Improvements in the manner described below.
 - (iv) at the sole cost and expense of the Tenant;
 - (v) as expeditiously and as diligently as possible, in a good and workmanlike manner and using first class quality new materials;
 - (vi) in accordance with the drawings and specifications approved in writing by the Landlord and the requirements of all governmental authorities having jurisdiction; and
 - (vii) subject to such rules, regulations and controls as are reasonably designated by the Landlord.
- (c) The making or installing of any Leasehold Improvements may be subject to supervision or inspection by the Landlord or its authorized agents, at the discretion of the Landlord.
- (d) Any such Leasehold Improvements made or permitted to be made by the

Tenant to, in or for the Demised Premises without the prior written consent of the Landlord or which are not made in accordance with the drawings and specifications approved by the Landlord shall, at the Landlord's discretion, be immediately removed by the Tenant at the Tenant's expense and the Demised Premises restored to their previous condition, failing which the Landlord may, at its option, with five (5) days written notice to the Tenant and without any liability on the Landlord's part, enter the Demised Premises and remove them at the Tenant's expense, which shall be paid by the Tenant to the Landlord as Additional Rent on demand. The Tenant agrees that such removal by the Landlord is not a re-entry or a breach of any covenant for quiet enjoyment contained in this Lease.

- (e) However, if in the Landlord's reasonable opinion, any Leasehold Improvements, or the installation of such, (1) may affect the structure of the Demised Premises or any other part of the Building, or (2) are to be installed outside of the Demised Premises, or (3) are to be installed within the Demised Premises but are part of the Common Facilities, or (4) may affect portions of the HVAC System within the Demised Premises, then such Leasehold Improvements shall, at the Landlord's option, acting reasonably, be performed only by the Landlord, but in all cases be at the Tenant's sole cost and expense, provided that such costs and expenses are reasonably incurred. Upon receipt of invoice from the Landlord, the Tenant shall pay to the Landlord, as Additional Rent upon demand, the Landlord's costs relating to any such Leasehold Improvements including the reasonably incurred fees and expenses of any architectural, engineering or other consultants or professionals.
- (f) No Leasehold Improvements to, in or for the Demised Premises by or on behalf of the Tenant shall be permitted which in the Landlord's opinion may weaken or endanger the structure or adversely affect the condition, safety or operation of the Demised Premises or the Building, or impair the use of the Common Facilities, or restrict or reduce the Landlord's coverage for zoning purposes, or cause the Landlord to provide additional parking spaces.

10.2 **Signs and Advertising:** The Tenant, at its expense, shall (after first obtaining the consent of the Landlord, and paying any applicable fees, and the consent of all governmental authorities, and paying any applicable fees, having jurisdiction as aforesaid) erect, operate, maintain, repair and replace an exterior and interior identification sign or signs of a type or types and in a location or locations as specified, and approved, in writing by the Landlord and in accordance with the Landlord's sign policy for the Building and sign By-Law for the City of Brampton. The Tenant shall promptly indemnify and hold the Landlord harmless from and against any and all claims with respect to any of the Tenant's Signs (including, without limitation, any loss or damage caused to any property or any Injury caused to any Person as a result of the placing, use, removal, dislodgement or collapse of any such Signs). At the expiration or earlier termination of this Lease, the Tenant shall, at the Tenant's expense, remove any Sign from the Demised Premises that the Landlord at its option, upon written notice to the Tenant, requires to be removed, and immediately repair all damage caused by any such removal. The Tenant's obligation to observe this covenant shall survive the expiration or earlier termination of this Lease. The Tenant shall not erect any signage or structure on the Lands without the written consent of the Manager of Realty Services.

10.2 **Use of Landlord's Trademarks and Symbols:** Subject to obtaining written approval from the Landlord, the Tenant may, in the conduct of its business in the

Demised Premises, promote the Building and use the trade names, symbols, marks and slogans of the Landlord (as specified by the Landlord in any written approval granted). The Tenant shall not acquire nor be deemed to have acquired any interest in any such trade names, symbols, marks or slogans and on the expiration of the Term the Tenant shall immediately discontinue all use thereof. If the Landlord advertises the Building, such advertising may display or mention the name of the Tenant subject to the prior written approval of the Tenant as to how its name or trademarks are used, displayed or mentioned.

10.4 **Tenant's Liens:**

- (a) The Tenant shall not suffer or permit any liens at common law or under the provision of any statute (including liens for labour or materials under the *Construction Lien Act*, R.S.O. 1990, Chapter C.30, as amended) to be filed against the Demised Premises, the Land, or the Building or any parts thereof by reason of work, labor, services or materials supplied or claimed to have been supplied to the Tenant or anyone holding the Demised Premises or any part thereof through or under the Tenant.
- (b) If and whenever any such lien shall arise the Tenant shall promptly and in any event within 30 days after notice from the Landlord, take or cause to be taken such measures as shall be necessary to either (i) vacate the registration of any notice of lien and certificate of action from title by payment into court as per s.44 of the *Construction Lien Act* or by obtaining an order under sections 45 or 46 of the *Construction Lien Act* and, if the Landlord is named in a related Statement of Claim (ii) procure the discharge thereof or a release of the Landlord from any claim or a Court order dismissing the Landlord from the claim.
- (c) If the Tenant shall fail to discharge such lien or order within such period, the Landlord may, in addition to any other right or remedy of the Landlord, but shall not be obligated to, take any action prescribed in clause (b) above in the manner it deems appropriate.
- (d) Any amount paid by the Landlord for any of the aforesaid purposes and all legal costs (on a solicitor and client basis) and other expenses of the Landlord, including counsel fees, for any related items related to this section, with all necessary disbursement in connection therewith, together with interest thereon at the Stipulated Rate of Interest from the date of payment, shall be repaid by the Tenant to the Landlord on demand, and if unpaid may be treated as Additional Rent.
- (e) Nothing herein contained shall authorize the Tenant, or imply any consent or agreement or request on the part of the Landlord, to subject the Landlord's estate or interest in the Building, Land or Demised Premises to any construction lien or other lien or any nature or kind whatsoever.
- (f) Notice is hereby given that the Landlord hereby expressly refuses and denies any consent or agreement or request to permit the Landlord's estate or interest in the Building, Land or Demised Premises to be subject to any construction lien or other lien of any nature or kind whatsoever without the express written agreement of the Landlord to that effect.

ARTICLE 11

REPAIR AND MAINTENANCE OF DEMISED PREMISES

- 11.1 **Repair and Maintenance Obligations:** The repair and maintenance related to the Demised Premises and Building shall be in accordance with Schedule D.

11.2 **Tenant's Obligations:** Subject to Article 17, and the Maintenance and Repair Obligations in **Schedule "D"**, the Tenant covenants the following.

- (a) The Tenant shall, at all times, at its sole cost, keep and maintain in good order, first-class condition and repair and shall, unless otherwise indicated in this Lease, make all needed repairs and replacements with due diligence and dispatch to
 - (i) the whole of the Demised Premises;
 - (ii) all interior , partitions, doors and fixtures located in or upon the Demised Premises (excluding windows); and
 - (iii) all Leasehold Improvements, equipment in and appurtenances of the Demised Premises, including, but not limited to trade fixtures and signs.
- (b) All repairs or replacements made in and to the Demised Premises pursuant to this Lease shall be carried out with such materials originally installed in the Demised Premises or any substitutes therefore which shall be in all respects equal thereto in quality, use and durability, all as approved by the Landlord, which approval is not to be unreasonably withheld or delayed.
- (c) The Landlord may enter and view the state of repair at any reasonable time, without notice, provided such inspection does not materially disturb the Tenant's operations.
- (d) If the Landlord provides notice to the Tenant that repair or maintenance is necessary, the Tenant shall repair the Demised Premises according to the stipulations specified in that notice.
- (e) The Tenant shall leave the Demised Premises in good repair subject to reasonable wear and tear and in a manner consistent with the covenant of the Tenant set out in Section 11.2(a) at the end of the Term.

11.3 **Pest and Rodent Control:** Unless the Landlord elects to assume control over pest and rodent extermination in order to maintain satisfactory and uniform pest and rodent control throughout the Building, where necessary, the Tenant shall engage for the Demised Premises at its sole cost such extermination contractor as it deems necessary. Such extermination shall not be unduly obnoxious to other tenants in the building, and seven (7) days' notice shall be provided to the Landlord and all other Tenants before any spraying occurs.

11.4 **Notice of Defects or Damage:** The Tenant shall promptly notify the Landlord of any defect or deficiency in, malfunction of, or damage to, the Demised Premises, or any equipment, Leasehold Improvement, service or utility therein of which the Tenant becomes aware at any time during the Term.

11.5 **Tenant Not to Overload Floors:** The Tenant shall not bring upon the Demised Premises or any part thereof, any machinery, equipment, article or thing that by reason of its weight, size or use might in the reasonable opinion of the Landlord damage the Demised Premises and will not at any time overload the floors of the Demised Premises and that if any damage is caused to the Demised Premises by any machinery, equipment, object or thing or by overloading, or by any act, negligence or misuse on the part of the Tenant, or any of its servants, agents or employees, or by any person having business with the Tenant, the Tenant will forthwith repair the same, or at the option of the Landlord, pay the Landlord

forthwith on demand as Additional Rent, the cost of any necessary repairs.

ARTICLE 12 INSURANCE

12.1 Tenant's Insurance:

- (a) The Tenant shall at all times during the currency of the term of this agreement, at its own cost and expense, take out and keep in full force and effect the following insurance coverage with respect to the Demised Premises and its use and occupation thereof.
 - (i) General Liability Insurance in respect of the Demised Premises against all claims for personal injury, including injury resulting in death, and property damage with an inclusive limit of not less than \$3,000,000 per occurrence.
 - (ii) Tenant's Legal Liability Insurance in respect to the Demised Premises in an amount of not less than \$500,000.
- (b) Such policy or policies shall name The Corporation of the City of Brampton as an additional insured as its interest may appear and be with insurers that have a rating which meets the requirements of the City of Brampton's policy on Insurance.
- (c) The Tenant shall deposit with the Landlord, prior to entering into this agreement, a Certificate of Insurance on a form provided by the Landlord.
- (d) If such policy or policies are cancelled, changed for any reason or materially altered in any way that would affect the City of Brampton, thirty (30) days prior written notice by registered mail will be given by the Tenant's insurer to the Landlord.
- (e) The City of Brampton reserves the right to request such higher limits of insurance or other types of insurance policies appropriate to this agreement as the Landlord may reasonably require from time to time.
- (f) The Tenant shall be responsible for obtaining contents insurance in such amounts as required to adequately cover the Tenant's property, equipment and any other such property in the care, custody, and control of the Tenant that is kept at the Demised premises and is not property owned by the Landlord. The policy must contain a waiver of subrogation against the Landlord.

ARTICLE 13 ENVIRONMENTAL PROVISIONS

13.1 Compliance with Environmental Laws.

- (a) The Tenant shall not bring or cause to be brought any hazardous or toxic product or substance, or contaminant (as such are defined under the applicable environmental legislation) at, in, on or under the Demised Premises, the Building or the Land, without first obtaining written consent from the landlord thirty (30) days prior to doing so, and such consent may be arbitrarily withheld.

- (b) The Tenant agrees that it shall fully and promptly comply with all applicable environmental laws, with respect to its use of the Demised Premises, including, but not limited to, laws regarding obtaining licenses, certificates of approval, permits and other approvals, storage of products or materials, and discharges of contaminants.
- (c) The term "environmental laws" in this Article 13, shall include, but not be limited to common law and all present and future applicable federal, provincial, local, municipal, governmental or quasi-governmental statutes, laws, by-laws, rules, regulations, licences, orders, guidelines, policies, directives, permits, decisions, or requirements concerning occupational or public health and safety, or the environment in any act, order, injunction, judgment, declaration, notice or demand issued thereunder.
- (d) The Tenant agrees to immediately notify the Landlord if the release, discharge or spill or leakage of any hazardous or toxic product or substance or contaminant has occurred in, on, or under the Demised Premises, Building and/or Land.
- (e) The Tenant agrees to assume any and all liability and responsibility related to any claims or damages regarding the release, discharge or spill or leakage of any hazardous or toxic product or substance or contaminant in, on, under, along, across and around the Demised Premises, Building or Land, and the damages or injury related thereto and the Tenant agrees to promptly do any and all work, and pay any and all costs which arise in relation to such, in connection with the following:
 - i) the use of or occupation of the Demised Premises, Building or Land by the Tenant or any of its invitees, employees, servants, agents, contractors, or anyone for whom it is legally responsible, regardless of whether consent was granted to those or not; and/or
 - ii) any products or goods brought in, on, under, along, across or around the Demised Premises by the Tenant, or any of its invitees, employees, servants, agents, contractors, or anyone for whom it is legally responsible, regardless of whether consent was granted to those or not.
- (f) The Tenant agrees that the Owner is not responsible, either directly or indirectly, for the Claims and Losses or any damage to property or injury to a person, including death, arising from the escape, discharge or release of any contaminant or hazardous or toxic substance from the Demised Premises, Land or Building, that arises in connection with the Tenant's (or any of its invitees, employees, servants, agents, contractors, or anyone for whom it is legally responsible, regardless of whether consent was granted to those or not) use or occupation of the Demised Premises, Land or Building, unless such Claims and Losses, damage or injury, is caused by the gross negligence or wilful misconduct on the part of the Owner, or those for whom it is legally responsible.
- (g) Upon the expiration of the Term or other termination of this Lease, the Tenant agrees to leave the Demised Premises clean of any contaminants, hazardous substances, products or waste, or any toxic substances and to leave it suitable for immediate reuse for any commercial purposes.
- (h) During the last six (6) months of the Term, the Landlord may conduct such reasonable environmental audits and inspections of the Demised Premises as the Landlord may determine given the nature of the Tenant's business operations, and the Landlord and/or its consultants shall have a right of entry to do so, if 2 business days' notice is provided to the Tenant provided that such

environmental audits do not interrupt the Tenant's business activities. In the event that such audits and inspections indicate environmental damage, which the Landlord proves was caused by the Tenant regarding any contaminant or hazardous or toxic substance, then the reasonable costs of such audits or inspections shall be for the account of the Tenant and shall be collectable as Additional Rent, and paragraph (e) above shall apply.

ARTICLE 14 INDEMNITY

- 14.1 **By Tenant:** The Tenant shall indemnify, save harmless, and defend (at the Landlord's discretion) the Landlord, its elected officials and any other person for whom it is in law responsible, from any kind of liability, suit, claim, demand, fine, action, or proceeding of any kind which may be brought against it, and from and against any and all losses, costs, damages, or expenses (including the Landlord's legal fees) suffered or incurred by the Landlord (including those related to the *Construction Lien Act*, R.S.O. 1990, c. C30, as amended, and the *Workplace Safety and Insurance Act*, 1997, S.O. 1997, c. 16, Schedule A, as amended) (the "Claims and Losses"), howsoever caused (either directly or indirectly), including by reason of any damage to property, delay, or injury (including injury resulting in death) to any person, in any way connected with this Lease Agreement or use of the Demised Premises by the Tenant (or by those for whom it is in law responsible), or arising from any breach of or non-performance by the Tenant of any provision of this Lease, or in connection with any environmental matter expressed in Article 13, unless such Claims or Losses are caused directly by the gross negligence or wilful misconduct on behalf of the Landlord or those for whom in law it is responsible. This indemnity and release shall survive the Term or any Renewal Term.
- 14.2 **Limit of Landlord's Liability:** The Tenant agrees that, except as a result of the Landlord's gross negligence or wilful misconduct, the Landlord shall not be liable or responsible in any way for any consequence whatsoever arising from the Tenant's use or occupation of the Demised Premises, Building or Land, and in particular, without limiting the generality of the foregoing, the Landlord shall not be liable for any loss, damage, death or injury of any nature whatever resulting from the following:
- (a) the condition or arrangement or from the interruption or breakdown of any heating, ventilating, air-conditioning, sprinkler, mechanical or electrical equipment or machinery or of any water, gas, sewage, electrical power or other utility in the Demised Premises, the Building;
 - (b) steam, smoke, water, rain, snow or other substances leaking, issuing, flowing or escaping into any part of the Demised Premises;
 - (c) theft;
 - (c) anything done or omitted to be done by other occupants of the Building, by persons in the Demised Premises or in the Building, or by occupants of adjacent property, or by the public.

ARTICLE 15 ENTRY BY LANDLORD

- 15.1 **Right of Landlord:** The Landlord and its authorized servants, employees, agents and contractors shall be entitled at all reasonable times, without notice to the Tenant to enter upon the Demised Premises for the purposes of inspecting

and/or making any repair in this Lease or Schedule C required or permitted to be made by the Landlord.

- 15.2 **Annual and Final Inspections:** The Tenant agrees that, upon thirty (30) days notice, the Landlord shall conduct an annual inspection of the Demised Premises, in accordance with the Landlord's Tenant inspection form, available for viewing at the Landlord's property management office, suite 015 . In addition, upon thirty (30) days notice, the Landlord shall conduct a final inspection of the Demised Premises prior to the termination of this Lease.
- 15.3 **Maintenance of Services and Utilities:** The Landlord shall have the right to enter the Demised Premises, at all reasonable times, without notice, in order to use, install, maintain and repair pipes, wires, ducts and other installations in, under or through the walls, ceilings and floor of the Demised Premises for or in connection with the supply of any services or utilities to the Demised Premises or to any part of the Building or of the Building, and in order to do such work, the Landlord will make every effort to notify affected Tenants as far in advanced as is reasonably possible, the Landlord may interrupt or suspend the supply to the Demised Premises of any services or utilities where necessary until such repairs, alterations, improvements or additions shall have been completed.
- 15.4 **Entry in Absence of Tenant:** If the Tenant shall not be personally present to open and permit entry into the Demised Premises at any time when for any reason an entry therein shall be necessary or permissible, the Landlord or the Landlord's authorized agent may enter the same by a master key, without rendering the Landlord or such agents liable therefore, and without in any manner affecting the covenants, obligations and agreements of the Tenant under this Lease.
- 15.5 **Entry in Case of Emergency:** If the Landlord determines that entry into or onto the Demised Premises is necessary due to an emergency situation, the Landlord, or any of its employees, servants, or agents may enter without notice, and without liability with respect to such entry.

ARTICLE 16 LANDLORD'S REMEDIES

- 16.1 **Landlord May Perform Tenant's Covenants:** In the event that the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease (other than its covenant to pay Rent and Additional Rent) and such default shall continue for a period of fifteen (15) consecutive days or such longer period as may be reasonably required in the circumstances to cure such default, after prior written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied, the Landlord may remedy such default and the reasonable cost thereof to the Landlord together with interest thereon at the Stipulated Rate of Interest from the date of such default shall be added to the Rent due and/or Additional Rent due, as may be the case, on the next succeeding date on which Rent and/or Additional Rent is payable, and such amount shall thereupon become due and payable as Rent in addition to the regular payment of Rent then due. The Landlord shall be subrogated to the extent of such payment to all rights, remedies and priorities of the payee of the amount paid by the Landlord to remedy such default.
- 16.2 **Re-entry:** When
- (a) the Tenant shall be in default in the payment of any Rent and such default

shall continue for a period of ten (10) consecutive days after prior written notice from the Landlord to the Tenant (no notice being required if the Tenant has been in default of this clause on two or more occasions), or

- (b) the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease (other than its covenant to pay Rent) and such default shall continue for a period of fifteen (15) consecutive days or such longer period as may be reasonably required (as determined by the Landlord) by the circumstances to cure such default, after prior written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied, or
- (d) the Tenant shall have filed any proposal or made any assignment for the benefit of creditors, or shall have made any assignment or have had a receiving order made against it under the *Bankruptcy and Insolvency Act*, R.S.1985, c. B-3, s. 1; 1992, c. 27, as amended, or shall have made application for relief under the provisions of any statute now or hereafter in force concerning bankrupt or insolvent debtors, or any action whatever, legislative or otherwise, shall have been taken with a view to the winding up, dissolution or liquidation of the Tenant or its assets, or
- (e) a receiver or a receiver and manager is appointed for all or a portion of the Tenant's property, or
- (f) the Tenant makes a sale in bulk (other than a Bulk Sale made to an assignee or subtenant pursuant to a permitted assignment or subletting hereunder and pursuant to the *Bulk Sales Act*, R.S.O. 1990, C.B.14, as amended, or any statute subsequently passed to take the place of or to amend the said Act), or
- (g) this Lease or any of the Tenant's assets on the Demised Premises are taken under any writ of execution, chattel mortgage, charge, debenture or other security instrument, or
- (h) any distress is levied upon any of the Tenant's goods in the Demised Premises, or
- (i) the Tenant effects or attempts to effect a transfer or a change in the effective voting control of the Tenant that is not permitted, in advance, in writing, by the Landlord,
- (j) the Demised Premises are vacated, or remain unoccupied for a period of fifteen (15) consecutive days, provided that any such vacancy or non-occupation is not linked to any maintenance, repair or renovation work.

then and in any of such cases the then current month's Rent and Additional Rent together with Rent for the three (3) month's next ensuing shall immediately become due and payable (in the case of bankruptcy or insolvency as well), and at the option of the Landlord upon written notice, the Term and any Renewal Term shall become forfeited and void. The Landlord may, having given notice (in accordance with section 19(2) of the *Commercial Tenancies Act*, R.S.O. 1990, L.7, as amended) forthwith re-enter upon the Demised Premises or any part thereof, repossess and enjoy the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding, provided however, that such forfeiture shall be wholly without prejudice to the right of the Landlord to recover arrears of Rent or damages for any antecedent default by the Tenant of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease and provided further that notwithstanding any

such forfeiture the Landlord may subsequently recover from the Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely determined.

16.3 **Landlord May Relet:** If the Landlord does not exercise its option under Section 16.2 to terminate this Lease it may nevertheless in the events set out in this Article re-enter the Demised Premises, upon giving five (5) days written notice, without terminating this Lease, and without any liability or providing any compensation, to make such reasonable alternations and repairs as may be necessary in order to relet the Demised Premises, or any part thereof, and the Landlord may relet the Demised Premises. If rentals received from reletting during any month be less than that paid during that month by the Tenant, the Tenant shall pay any such deficiency to the Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Demised Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to the Tenant. Notwithstanding any such reletting without termination, the Landlord may at any time thereafter upon giving notice, elect to terminate this Lease by reason of such previous event. Should the Landlord at any time terminate this Lease by reason of any such event, in addition to any other remedies it may have, it may recover from the Tenant damages it may incur with respect thereto, including the cost of recovering the Demised Premises, and any related legal and professional fees, and including the worth at the time of such termination of the excess, if any, of the amount of Rent and other sums reserved in this Lease for the remainder of the Term, all of which amounts shall be immediately due and payable from the Tenant to the Landlord as Additional Rent on demand. In determining the Rent which would be payable under this Lease by the Tenant subsequent to default, the annual Rent for each year of the unexpired portion of the Term shall be equal to the average annual Rent paid by the Tenant from the Lease Commencement Date to the time of default or during the preceding three (3) full Lease Years, whichever period is shorter, plus Additional Rent.

16.4 **Distress:** In any of the events set out in this Article the Landlord in addition to the other rights reserved to it shall have the right to enter the Demised Premises on five (5) days prior written notice (and with no notice if the event is the Tenant being in default of Rent) as agent of the Tenant and to take possession of any goods and chattels, except trade fixtures, on the Demised Premises, and save and except any such goods and chattels as are owned by third parties or any occupiers of the Demised Premises other than the Tenant, and to sell the same at public or private sale without notice and apply the proceeds of such sale on account of the Rent or other sums provided in this Lease to be paid by the Tenant as Rent in arrears or in satisfaction of the default by the Tenant of its covenants, obligations or agreements and the Tenant shall remain liable for the deficiency, if any. Notwithstanding any present or future statute of the Ontario Legislature, none of the Tenant's goods and chattels on the Demised Premises shall at any time during the Term or after be exempt from levy by distress for Rent arrears, and the Tenant, having waived any such exemption, shall by this clause be estopped from setting up any such exemption in any proceedings between the parties. Any distress of goods in this clause shall not constitute trespass or a breach of any term of this Lease. A distress may be affected by placing written notice on the door of the Demised Premises, and after such notice is posted, the Tenant agrees not to remove any items from the Demised Premises.

16.5 **Landlord May Follow Chattels:** In case of removal by the Tenant of the goods and chattels of the Tenant from the Demised Premises; the Landlord may follow the same for thirty (30) days in the same manner as is provided for in the *Commercial Tenancies Act*, R.S.O. 1990, c. L. 7, as amended, or any successor

legislation or other statute which may hereafter be passed to take the place of the said Act.

- 16.6 **Expenses:** If legal action or any proceeding or demand is brought or made or any cost incurred by the Landlord for recovery of possession of the Demised Premises for the recovery of Rent or any other amount due under this Lease, or through the distress of goods, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, the Tenant shall pay to the Landlord all reasonable expenses incurred therefore, including, but not limited to solicitor's fees, and bailiff fees.

ARTICLE 17 DAMAGE AND DESTRUCTION, EXPROPRIATION AND DEMOLITION

17.1 Destruction of Demised Premises:

- (a) If the Demised Premises are at any time destroyed or damaged as a result of fire, the elements, accident or other casualty and not caused by the Tenant, and if as a result of such occurrence:
- (i) the Demised Premises are in the mutual agreement of the parties, acting reasonably tendered untenable only in part, this Lease shall continue in full force and effect and the Landlord shall, subject to Section 17.2(a) hereof, commence diligently to reconstruct, rebuild or repair the Demised Premises with the exception of the Leasehold Improvements, other improvements and betterments made by or on behalf of the Tenant (the "Improvements"); and Rent and Additional Rent shall abate proportionately to the portion of the Demised Premises rendered untenable until forty-five (45) days after the parties mutually agree that the Demised Premises have been completely restored and rendered tenantable by the Landlord to the extent of the Landlord's obligation contained in this paragraph;
 - (ii) the Demised Premises are in the mutual agreement of the parties, acting reasonably rendered wholly untenable, this Lease shall continue in full force and effect and the Landlord shall, subject to Section 17.2(a) hereof, commence diligently to construct, rebuild or repair the Demised Premises with the exception of the Leasehold Improvements, and Rent and Additional Rent shall abate entirely until forty-five (45) days after the parties mutually agree that the Demised Premises have been completely restored and rendered tenantable by the Landlord to the extent of the Landlord's obligation contained in this paragraph;
 - (iii) the Demised Premises are not rendered untenable in whole or in part, this Lease shall continue in full force and effect, the Rent and other payments payable by the Tenant shall not terminate, be reduced or abate and the Landlord shall, commence diligently to reconstruct, rebuild or repair the Demised Premises with the exception of the Leasehold Improvements,
- (b) Upon the parties agreeing that, acting reasonably, the Landlord has reconstructed the portion of the Demised Premises for which it is responsible, the Tenant shall, within forty-five (45) days thereafter, forthwith diligently reconstruct, rebuild or repair the Improvements to fully restore the Demised Premises for business fully fixtured, stocked and staffed.
- (c) Notwithstanding anything contained in this Lease and specifically notwithstanding the provisions of this Article 17, if the Demised Premises are damaged or destroyed at any time during the last three (3) years of the Term or of any renewal term, the Landlord shall not be required to reconstruct, rebuild, or repair the Demised Premises following any such

damage or destruction it unless the Tenant has exercised at least one of any subsequent options to renew which it may have in accordance with the provisions of this Lease, within a period of forty-five (45) days from the date of occurrence of the damage or destruction. In the event that the Landlord elects not to reconstruct, rebuild or repair the Demised Premises following any such damage or destruction, the Landlord shall so notify the Tenant within thirty (30) days following any such damage or destruction of its election and in the case of such election, the term of this Lease and the tenancy hereby created shall expire by passage of time upon the thirtieth (30th) day after such election is made, and the Tenant shall, within such thirty (30) day period, vacate the Demised Premises and surrender the same to the Landlord and the Landlord shall have the right to re-enter and repossess the Demised Premises discharged of this Lease and to remove all persons and property therefrom.

17.2 Destruction of Building:

- (a) Notwithstanding anything contained in this Lease and specifically notwithstanding the provisions of Section 17.1 hereof, if fifty per cent (50%) or more of the Gross Leasable Area of the Building is at any time destroyed or damaged as a result of fire, the elements, accident or other casualty, whether or not the Demised Premises are affected by such occurrence, and the Landlord elects within thirty (30) days of the occurrence of such damage or destruction not to repair such damage or destruction, then and so often as any such events occur, either party may, at its option (to be exercised by written notice to the other party within thirty (30) days following such election) cancel or terminate this Lease. In the case of such election to terminate, the Term and the tenancy hereby created shall expire upon the thirtieth (30th) day after such notice is given, without indemnity or penalty payable by one party to the other and the Tenant shall, within such thirty (30) day period, vacate the Demised Premises and surrender the same to the Landlord with the Landlord having the right to re-enter and re-possess the Demised Premises discharged of this Lease and to remove all property therefrom. Rent and Additional Rent shall be due and payable without deduction or abatement subsequent to the destruction or damage and until the date of termination, unless the Demised Premises shall have been destroyed or damaged as well, in which event Section 17.1 shall apply;
- (b) If all or any part of the Building is at any time destroyed or damaged as set out in Section 17.2(a), and the Landlord does not elect to terminate this Lease in accordance with the rights hereinbefore granted, the Landlord shall commence diligently to reconstruct, rebuild or repair that part of the Building so destroyed or damaged following such destruction or damage, or such parts of the Building that must be reconstructed, rebuilt or repaired for the Tenant to be able to continue to lease the Demised Premises.
- (c) If the Landlord elects to repair, reconstruct or rebuild the Building or any part or parts thereof, the Landlord must provide the Tenant with premises of comparable size, frontage and location to that which existed prior to any such damage or destruction, if the Demised Premises are untenable, until such time as the Demised Premises are tenable.

17.3 Expropriation: Both the Landlord and the Tenant agree to co-operate with each other in respect of any expropriation of all or any part of the Demised Premises or any other part of the Building, or Land so that the maximum award in the case of any expropriation shall be achieved. To the extent that any portion of the Building, Demised Premises or Land is expropriated the full proceeds accruing therefrom shall belong solely to the Landlord, and the Tenant shall abandon or assign to the Landlord any rights which the Tenant may have to such and promptly execute any documents which the Landlord deems necessary to give effect to this provision. If any part of the Demised Premises is expropriated, and as a result hereof, the area of the Demised Premises is reduced, then, the Gross Leasable Area of the Demised Premises shall be adjusted to take into account any such reduction in area, and the annual Rent payable by the Tenant pursuant

to Section 6 shall be adjusted on the basis of the rental rate set out therein.

- 17.4 **Remodelling and Demolition:** In the event of the Landlord desiring during the Term, to remodel the Building, or any part thereof, or to take down the Building, the Tenant will on receiving six months' notice in writing, surrender this Lease and all the remainder of the Term, if any, then yet to come and unexpired, as from the day mentioned in such notice, and will, subject nevertheless to the provisions herein before contained thereupon, vacate the Premises and yield up to the Landlord the peaceable possession thereof. It is understood that said six months' notice need not expire at the end of any year or at the end of any month, and in the event of the day fixed for termination of the Lease expiring on some other day than the last day of a month, the Rent for such month shall be apportioned for the broken period. It is further understood that the Landlord will compensate the Tenant for the remaining book value of only the Leasehold Improvements

ARTICLE 18 EXPIRATION OF TERM

- 18.1 **Rights to Additions and Leasehold Improvements:** The Tenant shall have the right to all alterations, decorations, additions made by the Tenant (or by the Landlord on the Tenant's behalf) that are not Leasehold Improvements, and on the expiration or early termination of this Lease, title to the Leasehold Improvements shall be deemed to be the property of the Landlord from the time they are installed, and at and from the termination of this Lease. However, the Tenant shall, within thirty (30) days from the expiration of the Term, at its own cost, remove such of the Leasehold Improvements and fixtures as the Landlord requires to be removed, and pay for the cost of such removal, and promptly perform and pay for any repairs required to fix damages caused by such removal.
- 18.2 **Surrender of Demised Premises:** At the expiration of the Term the Tenant shall peaceably surrender and yield up to the Landlord the Demised Premises and all Leasehold Improvements not removed therefrom pursuant to Section 18.1 all in good and substantial repair and condition in accordance with this Lease, reasonable wear and tear excepted, and the Tenant shall surrender all keys for the Demised Premises and other locking devices to the Landlord at the place then fixed for the payment of Rent. Tenant will also ensure that the premises will be left in a general state of cleanliness, with any items, including garbage, removed immediately prior to yielding possession to the Landlord.
- 18.3 **Overholding:** If the Tenant remains in possession of all or any part of the Demised Premises after the expiry of the Term with the consent of the Landlord and without any further written agreement, or without the consent of the Landlord, there shall be no tacit renewal or extension of this Lease and, despite any statutory provision or legal presumption to the contrary, the Tenant shall be deemed conclusively to be occupying the Demised Premises as a monthly tenant, as if the Landlord did consent to the Tenant remaining in possession, or as a tenant at will, if the Landlord did not consent to the Tenant remaining in possession, in either case on the same terms and conditions as set forth in this Lease, (except for the Term and the exceptions hereinafter set out in this provision 18.3, but including the payment of Additional Rent). In so far as terms would be applicable to a monthly tenancy in the former case and as would be applicable to a day-to-day tenancy in the latter case, except that the monthly Rent shall be

- (a) the aggregate of the following:
- (i) 125 percent of the monthly rent payable rent payable,

to Section 6 shall be adjusted on the basis of the rental rate set out therein.

- 17.4 **Remodelling and Demolition:** In the event of the Landlord desiring during the Term, to remodel the Building, or any part thereof, or to take down the Building, the Tenant will on receiving six months' notice in writing, surrender this Lease and all the remainder of the Term, if any, then yet to come and unexpired, as from the day mentioned in such notice, and will, subject nevertheless to the provisions herein before contained thereupon, vacate the Premises and yield up to the Landlord the peaceable possession thereof. It is understood that said six months' notice need not expire at the end of any year or at the end of any month, and in the event of the day fixed for termination of the Lease expiring on some other day than the last day of a month, the Rent for such month shall be apportioned for the broken period. It is further understood that the Landlord will compensate the Tenant for the remaining book value of only the Leasehold Improvements

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- 18.2 **Surrender of Demised Premises:** At the expiration of the Term the Tenant shall peaceably surrender and yield up to the Landlord the Demised Premises and all Leasehold Improvements not removed therefrom pursuant to Section 18.1 all in good and substantial repair and condition in accordance with this Lease, reasonable wear and tear excepted, and the Tenant shall surrender all keys for the Demised Premises and other locking devices to the Landlord at the place then fixed for the payment of Rent. Tenant will also ensure that the premises will be left in a general state of cleanliness, with any items, including garbage, removed immediately prior to yielding possession to the Landlord.
- 18.3 **Overholding:** If the Tenant remains in possession of all or any part of the Demised Premises after the expiry of the Term with the consent of the Landlord and without any further written agreement, or without the consent of the Landlord, there shall be no tacit renewal or extension of this Lease and, despite any statutory provision or legal presumption to the contrary, the Tenant shall be deemed conclusively to be occupying the Demised Premises as a monthly tenant, as if the Landlord did consent to the Tenant remaining in possession, or as a tenant at will, if the Landlord did not consent to the Tenant remaining in possession, in either case on the same terms and conditions as set forth in this Lease, (except for the Term and the exceptions hereinafter set out in this provision 18.3, but including the payment of Additional Rent). In so far as terms would be applicable to a monthly tenancy in the former case and as would be applicable to a day-to-day tenancy in the latter case, except that the monthly Rent shall be

(a) the aggregate of the following:

- (i) 125 percent of the monthly rent payable, ~~in addition to the monthly~~

rent payable,

- (ii) one sixth (1/6th) of the highest amount of [Percentage Rent] payable for any rental year of the Term, and
 - (i) and one-sixth (1/6th) of the amount of Additional Rent payable by the Tenant in the last twelve (12) month rental year of the Term.
- (b) or, on hundred and fifty percent (150%) of the aggregate of the monthly minimum rent and additional rent prevailing at the date of such overholding for renting of improved premises which are either identical or similar to the Demised Premises, as determined by the Landlord, and where the Tenant is deemed conclusively to be occupying the Demised Premises as a tenant at will, such monthly Minimum Rent shall be prorated on a daily basis, and excepting provisions for renewal or extension (if any), or Rent-free or Fixturing Period (if any) or restrictive covenant (if any) or right of first refusal (if any) or option on additional space in the Building (if any) contained herein, and nothing to the contrary, including the acceptance of any Rent by the Landlord, shall extend or renew this Lease, except an agreement in writing between the Landlord and Tenant and the Tenant hereby authorizes the Landlord to apply any moneys received from the Tenant in payment of such monthly Rent. The Tenant shall promptly indemnify and hold harmless the landlord from and against any and all Claims incurred by the Landlord as a result of the Tenant remaining in possession of all or any part of the Demised Premises after the expiration of the Term. The Tenant shall not interpose any counterclaim in any summary or other proceeding based on overholding by the Tenant. Nothing contained in this Article 18 of the Lease shall (i) preclude the Landlord from taking action for recovery of possession of the Demised Premises, or (ii) be construed to constitute the Landlord's consent to the Tenant holding over at the expiration or earlier termination of this Lease or to give the Tenant the right to hold over after the expiration or earlier termination of this Lease or (iii) limit the liability of the Tenant in damages or otherwise.

18.4 **Effect of Termination:** The termination of this Lease whether by passage of time or by the exercise of any right of either the Landlord or Tenant pursuant to this Lease shall be wholly without prejudice to the right of the Landlord to recover arrears of Rent or damages for a prior default by the Tenant of its covenants, obligations or agreements under this Lease.

18.5 **Exhibit Demised Premises:** During the six (6) months prior to the expiration of the Term, the Landlord may exhibit the Demised Premises to prospective Tenants and place upon the Demised Premises the usual notices "For Rent" which notices the Tenant shall permit to remain without alteration. The Landlord may after providing the Tenant with twenty-four (24) hours written notice, during the Tenant's regular business hours, exhibit the Demised Premises to prospective purchasers or mortgagors of the Building.

ARTICLE 19 DISPOSITIONS BY TENANT

19.1 **Assignment and Sub-letting:**

- (a) The Tenant will not assign this Lease, or permit this Lease to be assigned, in whole or in part, nor sublet all or any part of the Demised Premises, nor mortgage, charge, or otherwise encumber this Lease or the Demised Premises or any part thereof, nor suffer or permit the occupation of, or parting

with or sharing possession, of all or any part of the Demised Premises by any person, or entity (collectively "Transfer"), without the prior written consent of the Landlord in each instance, which consent may be unreasonably withheld, despite any provision of this Lease or any statutory provision or other law to the contrary.

- (b) The consent by the Landlord to any Transfer, if granted, shall not constitute a waiver of the necessity for such consent to any subsequent Transfer. This prohibition against a Transfer is construed so as to include a prohibition against any Transfer by operation of law and no Transfer shall take place by reason of a failure by the Landlord to reply to a request by the Tenant for a consent to a Transfer.
- (c) Any document or consent evidencing such Transfer of this Lease if permitted or consented to by the Landlord shall be prepared by the Landlord or its solicitors, at the Landlord's option, and the Tenant shall pay the cost of such preparation in accordance with the City of Brampton Fees By-law, forthwith upon demand, or as Additional Rent, at the Landlord's option.
- (d) Any consent by the Landlord, at the discretion of the Landlord, may be subject to the Tenant causing any such Transferee to promptly execute an agreement directly with the Landlord agreeing to be bound by all of the terms, covenants and conditions contained in this Lease as if such Transferee had originally executed this Lease as tenant, or with amendments to such that shall be at the Landlord's discretion.

19.2 **Landlord's Option**: If the Tenant intends to effect a Transfer of all or any part of the Demised Premises or this Lease, in whole or in part, or any estate or interest hereunder, then and so often as such event shall occur, the Tenant shall give prior written notice to the Landlord of such intent, specifying therein the proposed Transferee and providing such information with respect thereto including, without limitation, information concerning the principals thereof and such credit, financial or business information relating to the proposed Transferee as the Landlord or the Mortgagee reasonably requires and the Landlord shall, within thirty (30) days after having received such notice and all such necessary information, notify the Tenant in writing either, that it consents or does not consent to the Transfer in accordance with the provisions and qualifications in this Article.

19.3 **No Advertising for Transfer**: The Tenant shall not print, publish, post, display, broadcast or otherwise advertise or offer for any of the aforesaid purposes, the whole or any part of the Demised Premises for purposes of Transfer, and shall not permit any broker or other third party to do any of the foregoing, unless the complete text and format of any such notice, advertisement, or offer is first approved in writing by the Landlord, such approval not to be unreasonably withheld or delayed. Any text and format proposed by the Tenant shall not contain any reference to the rental rate of the Demised Premises.

19.4 **Concessions Franchises and Licences**: The Tenant shall not permit any business to be operated in or from the Demised Premises by any concessionaire, franchisee, licensee or others without the prior written consent of the Landlord in each instance, which consent may not be unreasonably withheld. The consent by the Landlord to any concession, franchise or licence shall not constitute a waiver of the necessity for such consent to any subsequent concession, franchise or licence, and shall be on the terms provided by the Landlord, including, but not limited to, that such concession, franchise or licence shall be subject to the terms, covenants and conditions contained in this Lease. Any conduct of a licensee, concessionaire or franchisee which is in breach of the provisions of this Lease, shall be deemed to be the conduct of the Tenant and the Tenant shall be deemed to be in breach of this Lease

**ARTICLE 20
DISPOSITIONS BY LANDLORD**

20.1 Priority of Lease:

- (a) Upon request, the Tenant shall subordinate this Lease and all of its rights hereunder in such form as the Landlord requires to any and all underlying leases, mortgages, trust deeds or the charge or lien resulting from, or any instruments of, any financing, refinancing or collateral financing and to all advances made or hereafter to be made upon the security thereof, and if requested, the Tenant shall attorn to the holder thereof or to the then registered owner of the Building.
- (b) The Tenant shall, if possession is taken under, or any proceedings are brought for the foreclosure of, or in the event of the exercise of the power of sale under, any mortgage, charge, lease or sale and lease-back transaction, deed of trust or the lien resulting from any other method of financing, refinancing, collateral financing made by the Landlord or otherwise in existence against the Demised Premises or the Building, attorn to the Mortgagee, chargee, Tenant, trustee, other encumbrancer or the purchaser upon any such foreclosure or sale and recognize such mortgagee, chargee, Tenant, trustee, other encumbrancer or the purchaser as the Landlord under this Lease, provided however that any such mortgagee, chargee, Tenant, trustee, other encumbrancer or purchaser agrees in writing to be bound by the terms of this Lease.

20.2 Assignment by Landlord: The Landlord declares and the Tenant agrees that the Landlord may assign its rights under this Lease to any lender or lending institution as collateral security for a loan to the Landlord and in the event that such an assignment is given and executed by the Landlord and notification thereof is given to the Tenant by or on behalf of the Landlord, it is expressly agreed between the Landlord and the Tenant that this Lease shall not be cancelled or modified for any reason whatsoever except as provided for, anticipated or permitted by the terms of this Lease or by law, without consent in writing of such lending institution.

The Tenant covenants and agrees with the Landlord that it will, whenever reasonably required by the Landlord, consent to and become a party to any instrument relating to this Lease which may be required by or on behalf of any purchaser, bank or Mortgagee from time to time of the Demised Premises, provided always that the rights of the Tenant under this Lease shall not be not altered or varied in any way by the terms of such instrument or document. The Tenant shall from time to time at the request of the Landlord certify or acknowledge to any actual or proposed mortgagee, purchaser, Tenant or assignee the status and validity of this Lease and the state of the Landlord's and Tenant's account hereunder to the extent stipulated in Section 21.1 hereof.

20.3 The Tenant shall, upon the request of the Landlord or the mortgagee or any other person, firm or corporation having an interest in the Building, execute such instruments or certificates to carry out the intent of this Article 20 as are reasonably requested by the Landlord.

**ARTICLE 21
ESTOPPEL CERTIFICATIONS**

- 21.1 **Tenant's Estoppel Certificates:** The Tenant at any time and from time to time upon not less than forty-five (45) days' prior written notice, shall execute and deliver to the Landlord a statement in writing, which maybe reviewed and edited by the Tenant, certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the modification and that the same is in full force and effect as modified), the same amount of Rent then being paid under this Lease, the dates to which the same, by installment or otherwise, and the other sums provided in this Lease to be paid by the Tenant have been paid, and stating whether or not there is any existing default on the part of the Landlord of which the Tenant has notice, and the particulars and amount of insurance policies on the Demised Premises in which the Tenant's interest is noted.
- 21.2 **Landlord's Estoppel Certificates:** The Landlord at any time and from time to time upon not less than forty-five (45) days' prior notice shall execute and deliver to the Tenant a statement in writing, which may be reviewed and edited by the Landlord, 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 Rent then being paid under this Lease, the dates to which the same, by installment or otherwise and other sums provided in this Lease to be paid by the Tenant have been paid, and stating whether or not there are any existing defaults on the part of the Tenant of which the Landlord has notice, and the particulars and amount of insurance policies on the Demised Premises in which the Landlord's interest is noted.
- 21.3 **Effect of Estoppel Certificate:** Any statement delivered pursuant to the provisions of this Article shall be conclusive of the matters therein referred to.

**ARTICLE 22
NOTICES AND PAYMENTS**

- 22.1 **Notices:** Any notice, demand or request which any party shall give to any other party shall be in writing and shall be deemed to have been validly given if sent by fax transmission and then followed by regular mail delivery, or delivered personally at, or mailed by pre-paid first class mail to the address of such party as follows:

To the Tenant: 150 Central Park Drive
 Suite 104
 Brampton, On L6T 2T9

Attention: Mr. Michael Collens

To the Landlord: 2 Wellington Street West
 Brampton ON L6Y 4R2

Attention: Manager, Realty Services

or to any such other address or fax numbers as any party may from time to time notify the other in writing. Any demand, notice or request given by personal delivery shall be conclusively deemed to have been received by the party to which it is addressed on the day of actually delivery thereof. If given by fax transmission, on the same day as the date of faxing provided that a fax

transmission report is generated and retained. In the case of a demand, notice or request addressed to more than one party, on the day upon which actual delivery thereof has been completed to all such parties. Any notice sent by prepaid first class mail as aforesaid shall be deemed to have been delivered on the fifth business day (excluding Saturdays, Sundays, and Statutory Holidays) following the date of mailing thereof provided that such postal services have not been interrupted, in which case notice shall only given by personal delivery or fax transmission as aforesaid.

It is agreed that any notice to be given by the Landlord may be by the Manager of Realty Services or the Legal Services Division of the Corporate Services Department, and need not be under the corporate seal of the City and any such notice, so signed, shall be conclusively deemed to express the will and corporate act of the Landlord as therein contained and no further evidence thereof or of any by-law or resolution need be given.

For greater clarity and notwithstanding any applicable legislation, electronic mail shall not be used for any demand, notice or request and shall not be considered proper notice under this Lease.

- 22.2 **Payments:** Until such time as the Tenant shall have received written notice to the contrary, all payments of Rent and other sums to be paid to the Landlord shall be paid to the Landlord at its address shown in this Lease.

ARTICLE 23 FORCE MAJEURE

- 23.1 **Force Majeure:** Whenever, and to the extent that either party shall be unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligations under any provision of this Lease by reason of strike, lock-out, war or acts of military authority, terrorism, rebellion or civil commotion, fire or explosion, flood, wind, water, earthquake, act of God, or by reason of being unable to obtain the material, goods, equipment, services, utility or labor required to enable it to fulfill such obligation (provided all reasonable commercial efforts have been applied) or by reason of any statute, law or order-in-council or any regulation or order passed or made pursuant thereto or by reason of the order or direction of any administrator, controller or board, or any governmental department or officer or other authority or by reason of not being able to, with reasonable efforts, obtain permission or authority required thereby, or by reason of any other cause beyond its control, whether of the foregoing character or not, and not caused by its default or its act of commission or omission and not avoidable by the exercise of reasonable effort or foresight by it, the Landlord or Tenant shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the Tenant or Landlord shall not be entitled to compensation for any damage, inconvenience nuisance or discomfort thereby occasioned.

- 23.2 **Failure of Landlord to Deliver Possession:** Anything in this Lease to the contrary notwithstanding and in supplement to the provisions of Section 23.1 the Landlord shall not be deemed in default if the Landlord is unable to give possession of the Demised Premises on the Lease Commencement Date by reason of the fact that repairs, improvements, or decorations of the Demised Premises or of the Building are not completed or for any other reason (providing such cause is not due to the willful act or negligence of the Landlord). In such circumstances Rent shall not commence until possession of the Demised Premises is given to the Tenant or the Demised Premises is available for fixturing by the Tenant, and no such failure to give possession of the Demised Premises

on the Lease Commencement Date shall in any way affect the validity of this Lease or the covenants, obligations and agreements of the Tenant under this Lease or the terms of conditions of this Lease.

ARTICLE 24 GENERAL

- 24.1 **Time of the Essence**: Time shall be of the essence of this Lease and of each of the provisions hereof.
- 24.2 **Quiet Enjoyment**: Provided that the Tenant pays the Rent and Additional Rent and other sums herein provided, and observes and performs all the terms, covenants and conditions on the Tenant's part to be observed and performed, the Tenant shall be entitled to peaceably and quietly hold and enjoy the Demised Premises for the Term hereby demised without hindrance or interruption by the Landlord, or any other person lawfully claiming by, through, or under the Landlord, subject, nevertheless, to the terms, covenants and conditions of this Lease.
- 24.3 **Accord and Satisfaction**: No payment by the Tenant or receipt by the Landlord of a lesser amount than the monthly payment of the Rent herein stipulated is deemed to be other than on account of the earliest stipulated Rent, nor is any endorsement or statement on any cheque or any letter accompanying any cheque or payment as Rent deemed an acknowledgement of the full payment or an accord and satisfaction, and the Landlord may accept and cash such cheque or payment without prejudice to the landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease.
- 24.4 **Authorization**: The Landlord and the Tenant covenant that each of them has all requisite power and possesses all licences, franchises, permits, consents and other rights necessary to enable each of them to enter into this Lease. The Tenant covenants, represents and warrants that it is not a party to any agreement which would restrict, or covenant which would prevent or prohibit the Tenant from opening the Demised Premises for business and operating same throughout the Term for the purpose set out in Section 9.1.
- 24.5 **Planning Act**: This Lease is entered into subject to the express condition that it is to be effective only on obtaining such consents, if any, it may be required under Section 50 of the *Planning Act*, R.S.O., 1990, c. P13 or any successor legislation or other statute which may hereafter be passed to take the place of the said Act or to amend the same and provided that such consents are granted on conditions which are acceptable to the Landlord.
- 24.6 **No Partnership or Agency**: The Landlord does not in any way or for any purpose become a partner of the Tenant in the conduct of its business or otherwise or a member of a joint venture or joint enterprise with the Tenant. It is not intended that any agency be established between the Landlord and the Tenant.
- 24.7 **Amendments**: This Lease may not be amended or altered except by instrument in writing signed by the Landlord and the Tenant.
- 24.8 **Notice of Lease**: The Landlord shall have the right to register a notice of this Lease or any permitted assignment of this Lease or any permitted sublease against the title to the Demised Premises, or where the Demised Premises is not separately parcelized by the land registry office against title to the Building.

- 24.9 **Waivers**: No waiver or overlooking or condoning by either party of any breach by the other party of any of its covenants, obligations, or agreements under his Lease and none by either party of any term or condition of this Lease shall be a waiver to any subsequent breach or failure or of any other covenant, obligation, agreement, term or condition, nor shall any forbearance 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.
- 24.10 **Severability**: If any covenant, obligation, agreement, term or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable by a court of competent jurisdiction, the remainder of this Lease or the application of such covenant, obligation, agreement, term or condition to person or circumstances other than those to which it is held invalid or enforceable, shall not be affected thereby and each covenant, obligation, agreement, term and condition of this Lease shall be separately valid and enforceable to the fullest extent permitted by law.
- 24.11 **Headings and Notes**: The Article headings, and Section headings of this Lease have been inserted for convenience of reference only and do not form part of this Lease. They shall not be referred to in the interpretation of this Lease.
- 24.12 **Changes Required by Context**: This Lease shall be read with all changes of gender and number required by the context.
- 24.13 **Entire Agreement**: This Lease contains the entire agreement between the parties with respect to the subject matter of this Lease. There is no representation, warranty, collateral agreement or condition affecting the Building, the Demised Premises or this Lease, or supported by this Lease regarding the subject matter of this Lease other than as expressed in this Lease. The Schedules and appendices to this Lease form part of this Lease. The Tenant covenants and acknowledges that it has not executed this Lease by reason of any inducement, representation or warranty that any other person, firm or corporation shall be, shall become or shall remain as a tenant or occupant of the Building.
- 24.14 **Compliance with Laws**: The Tenant shall, at its own expense, comply with and conform to the requirements of every applicable lawful statute, law, by-law and ordinance, and the like.
- 24.15 **Applicable Law**: This Lease shall be construed in accordance with the laws of the Province of Ontario.
- 24.16 **Schedules**: Schedules "A" "B" "C" and "D" attached hereto shall form part of this Lease.
- Schedule A – Description and Sketch to Illustrate Demised Premises
Schedule B - Sketch to Illustrate Common Area
Schedule C- Rules and Regulations
Schedule D – Maintenance and Repair Obligations
- 24.17 **Recitals**: Each of the parties represents and warrants to each of the others that the recitals set out in this Lease are true and correct in substance and fact, as each such recital relates to each party, and are incorporated as an integral part of this Agreement.
- 24.18 **Binding**: All rights and liabilities herein granted to, or imposed upon the respective parties hereto, extend to and bind the successors and assigns of the Landlord and the heirs, executors, administrators, and permitted successors and assigns of the Tenant, as the case may be. If there is more than one Tenant,

they are all bound jointly and severally by the terms, covenants and conditions herein. No rights, however, shall enure to the benefit of any assignee of the Tenant unless the assignment to such assignee has been approved by the Landlord in writing as provided in Article 19 hereof.

- 24.19 **Fire Plan:** The Tenant and its clerks, servants and agents will at all times during the occupancy of the Premises be knowledgeable of the fire plan, said plan available from the Landlord's facility supervisor. The Tenant is responsible for obtaining a copy of the fire plan from the property office in suite 015 at the Civic Centre and showing to whomever it deems appropriate for the purposes of its Lease of the Demised Premises.
- 24.20 **Fire Wardens:** The Tenant is to ensure that they have designated the required number of staff as fire wardens, and back-up fire wardens, in order to allow for the efficient and safe evacuation of the Tenant's staff during an emergency. The Tenant shall provide to the Landlord, in writing, the names of the fire wardens and their backups, within 5 days of Tenant's execution of this Agreement .
- 24.21 **Authority of Manager of Realty Services:** It is agreed that where this Lease refers to the Manager of Realty Services, the authority of the Manager of Realty Services shall be final and his/her discretion shall not be subject to challenge.
- 24.22 **Signing Authority:** If this Agreement is signed by the Tenant in the name of a corporation, partnership, business, association, club or society, the person or persons, signing represents and warrants that, in the case of a corporation, the corporation is a corporation in good standing and duly organized under the laws of Ontario, and in any case, that she/he has full authority to sign this Agreement and to bind such organization, and that in the event she/he is not so authorized, she/he will be personally liable for the faithful performance of this Agreement.
- 24.23 **Currency:** Unless otherwise indicated, all dollar amounts referred to in this Agreement are in lawful Canadian funds.
- 24.24 **All Documents True and Accurate:** The Tenant covenants that all documents and reports required to be provided from it to the Landlord shall be true and accurate and not in any way falsified.

****The rest of this page is left intentionally blank*****

IN WITNESS WHEREOF the parties hereto have executed this Lease.

Authorization
By-Law No.
407-2007

Approved
as to form
Legal
[Signature]
Dec 13/07

Approved
as to content
R.S
[Signature]
June 8/07

THE CORPORATION OF THE
CITY OF BRAMPTON

[Signature]

SUSAN FENNELL MAYOR

[Signature]

KATHRYN ZAMMIT CITY CLERK

SIGNED, SEALED and DELIVERED
in the presence of

[Signature]

Witness:

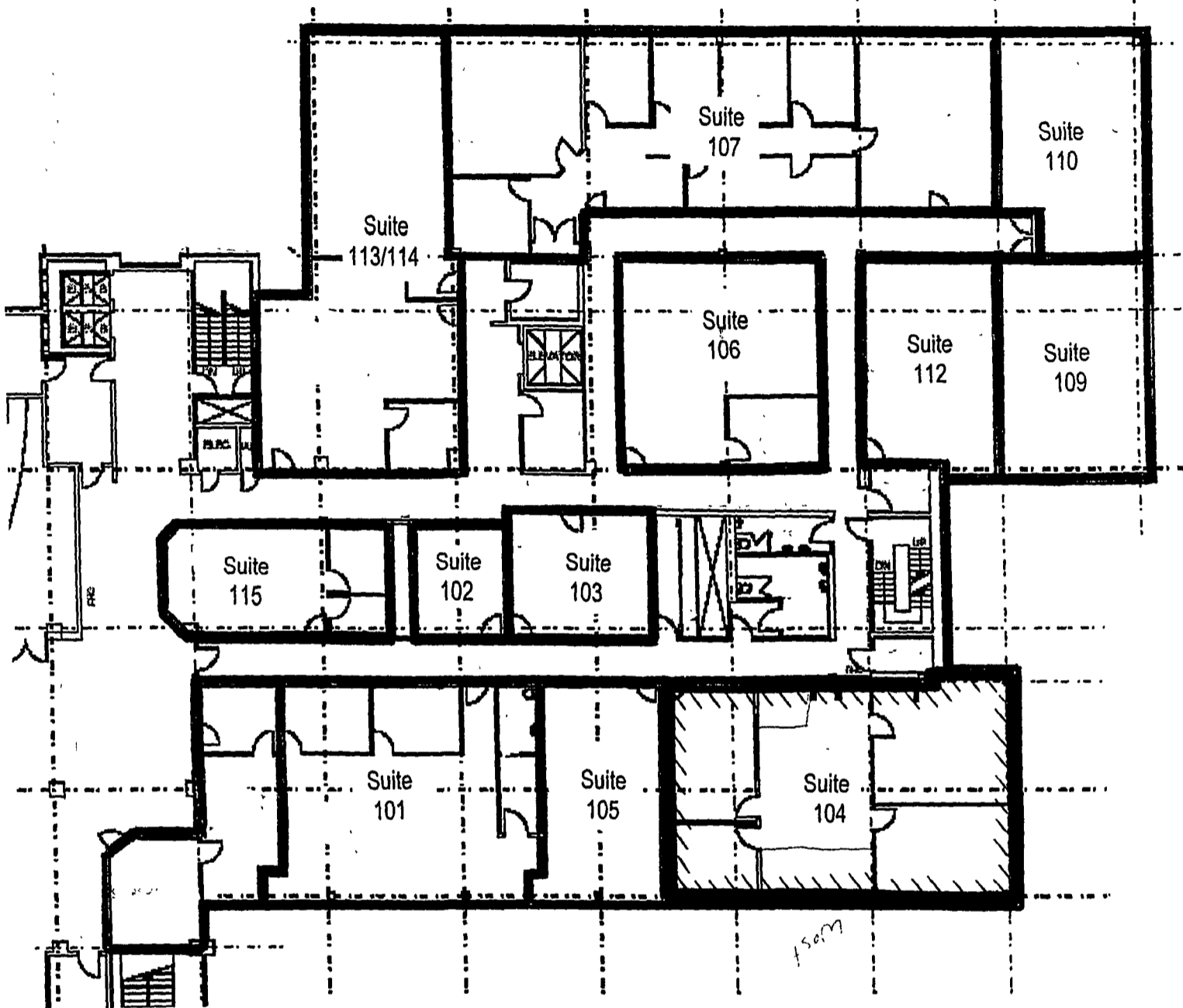
LEARNING DISABILITY
ASSOCIATION OF NORTH PEEL

[Signature]

Name:
Title:

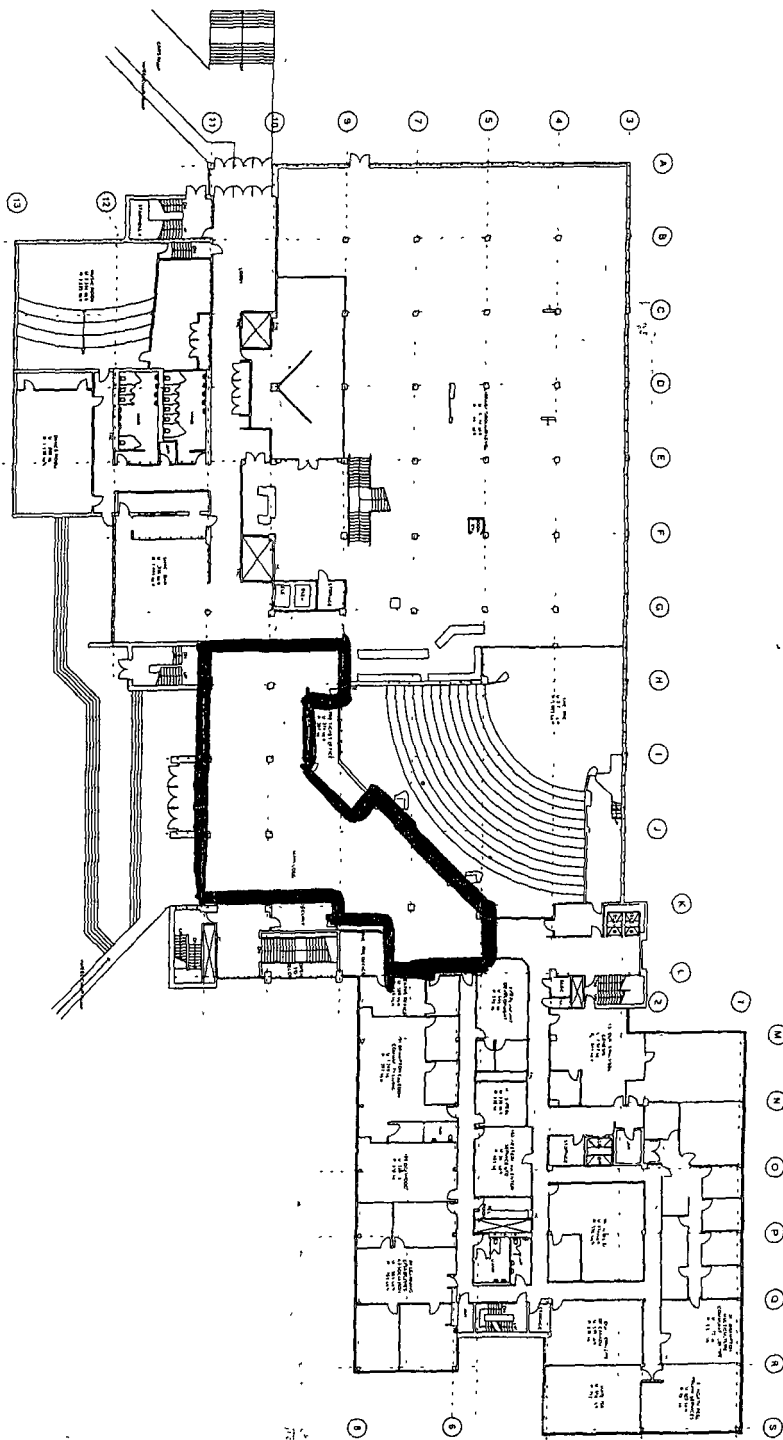
I have the authority to bind the
corporation

SCHEDULE "A"
DESCRIPTION AND SKETCH TO ILLUSTRATE
DEMISED PREMISES



SCHEDULE "B"
SKETCH TO ILLUSTRATE
COMMON AREA

Measured Using
Laser Technology



SCHEDULE "C"
RULES AND REGULATIONS

1. The Tenant and its employees, suppliers, and other persons who are not customers having business with the Tenant, shall park their cars in accordance with the terms of this Lease.
2. The plumbing facilities shall not be used for any other purpose than that for which they are intended, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant.
3.
 - (1) The Tenant shall use at the cost of the Tenant such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require.
 - (2) The Tenant shall take all necessary measures to prevent odours emanating from the Demised Premises, which the Landlord determines are unacceptable. In the event that the Tenant fails to take such measures within the time required by the Landlord, or in the event that such unacceptable odours continue to emanate from the Demised Premises the Landlord, at the cost and expense of the Tenant, shall have the right to perform such remedial work as may be necessary to prevent the continuance of any such odours emanating from the Demised Premises.
4. The Tenant, its employees or agents, shall not mark, paint, drill or in any way deface any walls, ceilings, partitions, floors, wood, stone or iron in the Common Facilities without the written consent of the Landlord.
5. Except for the use of a microwave, coffee maker and toaster oven and as otherwise permitted in the Lease to which these rules and regulation are annexed, the Tenant shall not permit any other cooking activity in the Demised Premises without the written consent of the Landlord, such consent not to be unreasonably withheld or delayed.
6. No sidewalk, entry, passageway, loading dock or staircase shall be obstructed or used by the Tenant, its officers, agents, servants, employees, contractors, customer invitees or licensees for any purpose other than ingress to and egress from the Demised Premises.
7. The Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees shall not bring in or take out, position, construct, install or move any safe or other heavy equipment or furniture without first obtaining the consent in writing of the Landlord. In giving such consent, the Landlord shall have the right, in its sole discretion, to prescribe the weight permitted and the position thereof, and the use and design of planks, skids or platforms to distribute the weight thereof. All damage done to the building by moving or using any such safe, heavy equipment or furniture shall be repaired at the expense of the Tenant. The moving of all equipment and furniture shall occur only during those hours when the Building shall not be open for business or any other time consented to by the Landlord and the persons employed to move the same in and out of the Demised Premises shall be acceptable to the Landlord.
8. All persons entering and leaving the Building at any time other than during normal business hours shall register in the books, if any, kept by the Landlord and the Landlord will have the right to prevent any person from entering or leaving such Building unless provided with a key to the premises to which such person seeks entrance or a pass in a form to be approved by the Landlord. Any persons without such key or passes will be subject to the surveillance of the

employees and agents of the Landlord. The Landlord shall be under no responsibility for failure to enforce this rule.

9. The Tenant shall not place or cause to be placed any additional locks upon any doors of the Demised Premises without the approval of the Landlord and subject to any conditions imposed by the Landlord, such approval not to be unreasonably withheld or delayed.
10. No one shall use the Demised Premises for sleeping apartments or residential purposes, or for the storage of personal effects or articles other than those required for the purposes permitted by the Lease to which these rules and regulations are annexed.
11. Any hand trucks, carryalls, or similar appliances used in the Building shall be equipped with rubber tires, side guards and such other safeguards as the Landlord shall require.
12. No animals or birds shall be brought into the Demised Premises except as permitted by the Lease to which these rules and regulations are annexed.
13. The Tenant shall securely bag all garbage and place same, along with recycling material for pick up in the container provided by the Landlord in a manner required by the Landlord.

SCHEDULE "D"
MAINTENANCE AND REPAIR OBLIGATIONS

Maintenance and Security Numbers for Corporate Properties:

Corporate Properties Maintenance - City Hall:	905-874-2133
Security - City Hall:	905-874-2111
Corporate Properties Maintenance - Civic Centre:	905-793-2511
Security - Civic Centre:	905-874-2929

COB - City of Brampton responsible for maintenance/repair and cost

Tenant - Tenant responsible for maintenance/repair and cost with City's Approval

CTC - City responsible for maintenance/repair at tenant's cost

Heating and Air Conditioning

i)	Preventive and Demand Maintenance of installed HVAC systems, including belt and filter replacements.	COB
ii)	Cleaning of ducts, when deemed necessary.	CTC
iii)	Repairs or replacement due to damage/neglect by occupants or operations.	CTC
iv)	Maintenance and repair of building automation controls.	COB
v)	Life cycle replacement due to fair wear and tear.	COB

Windows

i)	Breakage repair.	COB
ii)	Life cycle replacement of exterior windows due to fair wear and tear.	COB
iii)	Repairs or replacement except for any damage due to the act, omission or negligence by the tenant or occupant.	CTC
iv)	Repairs to interior windows.	Tenant
v)	Cleaning of exterior building windows.	COB
vi)	Cleaning of interior windows.	COB

Security Components

i)	Repair, replacement and re-keying of all locks for exterior doors.	COB
ii)	Repair, replacement and re-keying of all locks for interior doors.	CTC
iii)	Operation and maintenance of intrusion alarm system.	Tenant
iv)	Corporate Security services.	COB

Doors

i)	Repair of exterior doors.	COB
ii)	Life cycle replacement of exterior doors due to fair wear and tear.	COB
iii)	Repair or replacement of exterior doors due to damage/neglect by occupant or operations.	CTC
iv)	Repair or replacement of all interior doors.	Tenant

Plumbing

- | | | |
|------|--|-----|
| i) | Preventive maintenance to hot water systems. | COB |
| ii) | Repairs to all faucets, unplugging toilets, and routine repairs to all fixtures. | COB |
| iii) | Life cycle replacement of fixtures due to fair wear and tear. | COB |
| iv) | Repairs or replacements due to damage/neglect by occupant or operations. | CTC |

Sprinkler System

- | | | |
|------|--|-----|
| i) | Preventive maintenance and repairs including annual inspection. | COB |
| ii) | Life cycle replacement due to fair wear and tear. | COB |
| iii) | Repairs or replacement due to age or fair wear and tear. | COB |
| iv) | Repairs or replacements due to damage/neglect by occupant or operations. | CTC |
| v) | Repairs to meet Ontario Fire Code due to tenant renovations. | CTC |

Lighting

- | | | |
|------|--|-----|
| i) | Inspection, maintenance and repair of emergency lighting and exit lighting. | COB |
| ii) | Maintenance and repair of all interior building lighting including bulb replacement. | COB |
| iii) | Life cycle replacement of interior fixtures due to fair wear and tear. | COB |
| iv) | Repair of existing exterior lights, including bulb replacement. | COB |
| v) | Life cycle replacement of exterior fixtures due to fair wear and tear. | COB |
| vi) | Cleaning of interior light fixtures. | COB |
| vii) | Installation and maintenance of additional lighting requested by the occupant. | CTC |

Flooring

- | | | |
|-----|--|-----|
| i) | Repairs to flooring finishes including carpets, tiles, vinyl, or ceramic flooring. | COB |
| ii) | Installation and maintenance of additional floor coverings provided by the occupant. | CTC |

Electrical

- | | | |
|------|--|-----|
| i) | Repairs or replacement of existing building electrical service. | COB |
| ii) | Upgrades required by Code. | COB |
| iii) | Extensions, increases, or enhancements, to meet occupant's needs including future maintenance. | CTC |
| iv) | Repair or replacement of switches, receptacles or cover plates. | COB |
| v) | Electrical panel box and breaker maintenance. | COB |
| vi) | Repairs or replacements due to damage/neglect by occupant or operations. | CTC |

vii)	Repairs to meet Code due to tenant renovations.	CTC
<u>Fire Alarm System</u>		
i)	Annual inspection and preventive maintenance.	COB
ii)	Repairs due to normal wear and tear.	COB
iii)	Life cycle replacement of system due to fair wear and tear.	COB
iv)	Repairs and operating costs due to damage/neglect by occupant or operations.	CTC
v)	Repairs to meet Ontario Fire Code due to tenant renovations.	CTC
<u>Interior Decorations</u>		
i)	All interior painting.	Tenant
ii)	Provision, maintenance and cleaning of window applications including, but not limited to, blinds and curtains.	COB
iii)	Repairs to interior walls, ceilings, floors due to damage/neglect by occupant or operations.	Tenant
iv)	Repairs due to building structural failures such as roof leaks, weather walls and foundation leaks not caused by the occupant or operations.	COB
v)	Provision, installation, and maintenance of interior and exterior signs.	COB
vi)	Installation and maintenance of interior structures such as office walls, partitions, shelving, and cabinets.	Tenant
<u>Major Structural Systems</u>		
i)	Repairs or replacements of exterior wall assemblies including weather walls, sub-floors, roofs, bearing walls, and structural columns and beams.	COB
ii)	Repairs and painting of exterior surfaces including windows, trim, fascia and soffits.	COB
<u>Equipment and Furnishings</u>		
i)	Provision and maintenance of all furnishings and appliances incl refrigeration, chairs and desks.	Tenant
ii)	Provision and maintenance of telephone and other communication equipment.	Tenant
<u>Site Services</u>		
i)	Landscaping repairs and maintenance.	COB
ii)	Grass cutting.	COB
iii)	General cleaning of grounds, litter disposal within the area.	COB
iv)	Snow and ice removal from steps, walkways, entrances.	COB
v)	Removal of snow from parking areas.	COB
vi)	Provision of de-icing materials.	COB
vii)	Application of de-icing materials.	COB

viii)	Repairs to water and sewage systems.	COB
ix)	Maintenance and repair of paved parking areas.	COB
x)	Repairs to sidewalks.	COB
<u>Janitorial Services</u>		
i)	Provision of routine janitorial services.	COB
ii)	Provision of washroom and cleaning supplies.	COB
iii)	Garbage and waste disposal.	COB
iv)	Pest control services.	COB

*All items listed under the Maintenance and Repair Obligations are to be used as a guideline, the lease agreement will supersede any discrepancies.

**While the tenant may be responsible for items listed in the Maintenance and Repair Obligations, all work must still have the prior written approval of the Property Supervisor or their designate.

Management & Administrative Services

Jds

Mary

Date: January 24, 2008

To: Clerk's Office (original)
Dan McLaughlin (original)
Jeff Lane

From: Rosanne Reda, Realty Services

Subject: Lease with Elizabeth Chan
Civic Centre, Suite 105
Our File No. L16CC.105

Attached, for your records, is a copy of the above-referenced Agreement.

Thank You,

Rosanne Reda

Rosanne Reda
Realty Services
City of Brampton
905-874-2869

RECEIVED
CLERK'S DEPT

JAN 25 2008

REG NO.
FILE NO _____

LEASE AGREEMENT BETWEEN:

THE CORPORATION OF THE CITY OF BRAMPTON
(the "Landlord")
OF THE FIRST PART

-and-

ELIZABETH CHAN
(the "Tenant")
OF THE SECOND PART

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LEASE

THIS LEASE is made in quadruplicate and effective as of this 1st day of January, 2007 (the "Lease")

BETWEEN

THE CORPORATION OF THE CITY OF BRAMPTON
(the "Landlord")
OF THE FIRST PART

-and-

ELIZABETH CHAN
(the "Tenant")
OF THE SECOND PART

File: L16CC 105

WHEREAS the Landlord is the owner of 150 Central Park Drive, Brampton Ontario;

AND WHEREAS the Tenant has previously entered into an Agreement dated effective May 1st, 2003, and which expired on April 30th, 2006 and has been overholding as a month-to-month tenant since May 1st, 2006;

AND WHEREAS the Tenant wishes to enter into a new Lease Agreement for Unit 105 from the Landlord;

NOW THEREFORE this Lease witnesses that in consideration of the obligations hereinafter provided, and the sum of \$2.00, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows.

ARTICLE 1 DEFINITIONS

1.1 Definitions

- (a) "Additional Rent" means any and all sums of money or charges required to be paid by the Tenant under this Lease (except Rent) whether or not the same are designated "Additional Rent" or whether or not the same are payable to the Landlord or otherwise, and all such sums are payable in lawful money of Canada without any deduction, set-off or abatement whatsoever, unless otherwise provided for in this Lease. Additional Rent is payable with the Rent, in advance, on the first day of each month in advance.
- (b) "Building" means that building owned by the Landlord upon the Land, defined in Section 1.1(f), and every enlargement, amendment or reduction thereof or addition thereto and of which the Demised Premises, defined in Section 1.1(d), forms a part; and includes the Common Facilities, defined in Section 1.1(c), structures, fixtures, heating, ventilation, air-conditioning, sprinkler and mechanical and electrical equipment and machinery, and water, gas, sewage, telephone and other communications facilities and electrical power services and utilities comprised therein, belonging thereto, connected therewith or used in the operation thereof and now or hereafter constructed, erected and installed therein and thereon, but excludes all non-Leasehold Improvements made, constructed, erected or installed by or on behalf of any tenant or occupant of premises therein.

- (c) "Common Facilities" means any common areas, facilities and utilities from time to time furnished or designated by the Landlord (as the same from time to time may be altered, reconstructed, reduced or expanded) in the Building for the general use or benefit in common in such manner as the Landlord may permit, of Tenants and/or occupants of premises in the Building and all others entitled thereto and now or hereafter developed or designated by the Landlord, including, without limiting the generality of the foregoing, all mechanical, sprinkler and electrical equipment and machinery and water, gas, sewage, and other communications infrastructure and electric power services and utilities (not comprised within any leasable premises in the Building for the exclusive use of such premises), and also including parking area and parking structures, access roads, driveways, entrances and exits, sidewalks, ramps, landscaped areas, exterior irrigation systems, delivery areas, mechanical and electrical rooms, any common washrooms, garbage and recycling facilities; Common Facilities also includes the roof, exterior weather walls, exterior and interior structural elements and bearing walls in the Buildings;
- (d) "Demised Premises" means the premises comprising a Gross Leasable Area of approximately six hundred and twenty six square feet (626 sq.ft), included in this is the Lessee's proportionate share of the common area of the Building being thirty eight square feet (38 sq.ft) as shown in bold outline on Schedule "A" attached hereto, in accordance with Section 3.1 of this Lease;
- (e) "Gross Leasable Area" means the area of any leasable portion of the Building including the Demised Premises calculated in accordance with Section 3.1. Gross Leasable Area of any premises includes all interior space whether or not occupied by projections, structures, stairs or columns, structural or non-structural;
- (f) "Land" means that certain parcel or tract of land on which the Building is located and which together with the Building is known municipally as 150 Central Park Drive, Brampton, Ontario.
- (g) "Landlord" includes the Landlord and its successors and assigns;
- (h) "Lease Commencement Date" means the date set out in section 4.1 as signifying the commencement of the Term;
- (i) "Lease Year" means a period of time, the first Lease Year commencing on the Lease Commencement Date and ending on the last day of the twelfth month thereafter. Each subsequent Lease Year commences on the first day following the expiration of the preceding Lease Year and terminates on the expiration of twelve (12) months thereafter or on the termination of this Lease;
- (j) "Leasehold Improvements" means all fixtures (including all light fixtures), improvements, installations, alterations and additions from time to time permanently affixed to or attached to the Demised Premises, including all partitions however affixed and all carpeting and floor coverings affixed in any way to the Demised Premises, lighting tracks, ballasts, and the grill and other security or locking device securing the Demised Premises, but specifically excludes all chattels or other movable trade fixtures, furniture and equipment not otherwise permanently affixed or attached to the Demised Premises;
- (k) "Real Property Taxes" means all real estate taxes, local improvement rates, school taxes, levies, rates, duties, assessments and charges from time to time imposed against the Building, buildings structures and improvements by municipal or other governmental authorities having jurisdiction, and all taxes, levies, rates, duties, assessments and charges which may at any time be substituted therefore or replace the same and includes the cost of all appeals of any assessment or levy made against the Building or any part thereof. Real Property Taxes and Capital Taxes shall not include Landlord's income taxes;

- (l) "Rent" includes all sums payable by the Tenant under this Lease except Additional Rent and exclusive of applicable GST, which is to be calculated separately;
- (m) "Stipulated Rate of Interest" means the prime lending rate for commercial customers as established by the Landlord's bank from time to time plus two (2%) percent;
- (n) "Tenant" includes the Tenant and its successors and permitted assigns;

ARTICLE 2 INTENT AND INTERPRETATION

- 2.1. **Net Lease:** The Tenant acknowledges and agrees that (a) it is intended that this Lease is completely carefree to the Landlord, except as expressly herein set out, and that the Landlord shall not be responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Demised Premises, the contents, the use or occupancy thereof, or the business carried on therein, unless otherwise indicated in this Lease, and (b) the Tenant shall pay all charges, impositions, costs and expenses of every nature and kind, extraordinary as well as ordinary and foreseen as well as unforeseen, relating to the Demised Premises, the contents, the use or occupancy thereof, or the business carried on therein, and (c) any amount and any obligation which is not expressly declared in this Lease to be the responsibility of the Landlord shall be the responsibility of the Tenant to be paid or performed by or at the Tenant's expense in accordance with the terms of this Lease.
- 2.2. **Obligations as Covenants:** Each obligation or agreement of the Landlord or the Tenant expressed in this Lease, even though not expressed as a covenant, is considered to be a covenant for all purposes.
- 2.3. **Headings:** The headings introducing sections and articles in this Lease are inserted for convenience of reference only and in no way define, limit, construe or describe the scope or intent of such sections or articles.

ARTICLE 3 DEMISE

- 3.1. **Demised Premises:** The Landlord hereby demises and leases the Demised Premises to the Tenant and the Tenant hereby leases the Demised Premises from the Landlord, at the Rent, subject to the conditions, and in accordance with the covenants, obligations and agreements contained in this Lease.

The boundaries of the Demised Premises, as shown on Schedule "A" attached hereto, extend:

- (a) to the exterior face of all exterior walls, doors and windows;
 - (b) to the exterior face of all interior walls, doors and windows separating the Demised Premises from the Common Facilities, if any; and
 - (c) to the centre line of all interior walls separating the Demised Premises from adjoining premises; and
 - (d) from the top surface of the structural subfloor to the bottom surface of the structural ceiling.
- 3.2. **Condition of Demised Premises:** The Tenant has inspected and accepts the condition of the Demised Premises as of the date of the commencement of the Term. The Tenant acknowledges that the Premises will be subject to a yearly

inspection and a final inspection, prior to the expiration of the term, in accordance with the provisions of Section 15.2.

3.3 **Common Facilities:** The use and occupation by the Tenant of the Demised Premises includes the non-exclusive and non-transferable licence to use, in common with others entitled thereto, and for the purposes for which they are intended and during such hours as the Building may be open for business, as determined by the Landlord from time to time, the Common Facilities provided by the Landlord from time to time, subject in each case, to the provisions of this Lease and to the reasonable rules and regulations for the use thereof as prescribed in writing and delivered to the Tenant from time to time by the Landlord. The Building and the Common Facilities and such other area, facilities, utilities and improvements provided by the Landlord from time to time for the general use, in common, of tenants, are at all times subject to the exclusive control and management of the Landlord. Without limiting the generality of the foregoing, the Landlord has the right, in its control, management and operation of the Building at all times throughout the Term to:

- (a) grant, modify and terminate easements or other agreements pertaining to the use and maintenance of all or any parts of the Building;
- (b) on fourteen (14) days written notice to the Tenant, temporarily close-off all or any part of the Building for the purpose of maintenance or repair or for the purpose of security or when only a portion or portions of the Building are operating so long as such closing off does not unreasonably interfere with access to or from the Demised Premises, except in the case of emergencies, as indicated in clause 15.5;
- (c) use any part of the Building, from time to time, for merchandising, display, decorations, entertainment and structures designed for special features or promotional activities, provided such use does not interfere with access to or from the Demised Premises;
- (d) designate the area and entrances and the time in, through and at which loading and unloading of goods shall be done;
- (e) designate and specify the kind of container to be used for garbage, recycling and refuse and the manner and the times and places at which same is to be placed for collection, the initial purchasing costs of which shall be paid by the Landlord (any replacement containers due to damage or theft shall be the responsibility of the Tenant);
- (f) from time to time, change the area, arrangement or use of the Building or any part thereof provided such change in the area, arrangement or use does not materially interfere with the Tenant's use or access to or from the Demised Premises;
- (g) to grant to the Tenant an exclusive right to use the Common Area, located outside the front of the theater, and as shown on Schedule "B", as available, for a maximum of five (5) days, up to two times a year, in which to promote their business. This may include the set up of an information booth, or tables for the purpose of fundraising. The Tenant must schedule and obtain approval for such dates and times through the Property Manager's office, sixty (60) days prior to the event, in advance;
- (h) do and perform such other acts in and to the Building, as in the use of good business judgment, the Landlord determines to be advisable and not detrimental to the operations of the Tenant.

Notwithstanding anything in this Lease contained, it is understood and agreed that if by exercising rights set out in this Section 3.2, the Common Facilities are diminished or altered in any manner whatsoever, the Landlord is not subject to any liability nor is the Tenant entitled to any compensation or diminution or

abatement of Rent, nor shall the exercise by the Landlord of such rights be deemed constructive or actual eviction, or a breach of any covenant for quiet enjoyment contained in this Lease.

3.4 **Rules and Regulations:** The Rules and Regulations adopted and promulgated by the Landlord from time to time, provided same are reasonable, are hereby made a part of this Lease as if they were embodied herein, and the Tenant shall comply with and observe them. The Rules and Regulations existing as at the Commencement Date are those set out in Schedule "C" attached hereto. The Landlord reserves the right from time to time to amend, supplement, suspend or cancel any or all of the Rules and Regulations applicable to the Demised Premises or the Building. The Rules and Regulations may differentiate between different types of businesses. Notice of the Rules and Regulations and amendments and supplements, if any, shall be given to the Tenant and the Tenant shall thereupon comply with and observe all such Rules and Regulations. If any such Rules and Regulations conflict with any provision of this Lease, the Landlord may apply whichever it deems to be more appropriate for the best interest of the safety and operation of the Demised Premises, Building and Land. The Landlord shall not be liable or responsible to the Tenant for the non observance or violation of any such Rules and Regulations or of any of the terms, covenants or conditions of any other lease of premises within the Building and shall be under no obligation to enforce any such Rules and Regulations or terms, however, the Landlord shall not be negligent in its enforcement of such Rules and Regulations.

3.3 **Utilities:** The Landlord and any agency (whether governmental or otherwise) owning or operating a public utility as that term is defined in the *Public Utilities Act*, R.S.O. 1990, c. P.52, as amended, and any agency (whether governmental or otherwise) owning or operating a public utility for electrical power or energy and their respective successors and assigns shall have the right:

- (a) to install, maintain, repair, replace, reconstruct, enlarge, inspect or test any pipes, cable, meters or other plant whatsoever on, under or adjacent to the Demised Premises as part of, appurtenant to or in connection with any such public utility, and
- (b) by their respective officers, employees, agents and contractors, to enter upon the Demised Premises, with or without all necessary or convenient gear and equipment, for the purposes set out in 3.4 (a) hereof.

ARTICLE 4 TERM

4.1 **Term:** The Tenant shall have and hold the Demised Premises for and during the Term which shall be, unless sooner terminated pursuant to the other provisions of this Lease, the period of one (1) year, commencing on the 1st day of January, 2007 (the "Lease Commencement Date") and to be fully completed and ended on the 31st day of December, 2007 (the "Term").

4.2 **Early Termination:** Provided that the Tenant is not in default and has not assigned or sublet its interest in accordance with this Lease and is then occupying all of the Demised Premises, the Tenant shall have the option of terminating this Lease without penalty effective on any annual anniversary date of the Lease Commencement Date, provided that the Tenant provides the Landlord with at least six (6) months prior written notice of its intention to do so.

4.3 **Liability on Termination:** The termination of this Lease by expiry or otherwise shall not affect the liability of the Tenant to the Landlord for any obligation under this Lease which has accrued up to the date of such termination, but has not been properly satisfied or discharged.

**ARTICLE 5
RENEWAL**

5.1 **Option to Renew:** The Tenant, when not in default, shall have the option of renewing the within Lease for two (2) additional terms of one (1) year (the "Renewal Term") upon the expiration of the Term, provided that the Tenant shall give to the Landlord notice in writing of the exercise of such option at least nine (9) months prior to the expiration of the Term, but such written notice may not and shall not be given earlier than twelve (12) months prior to the expiration of the Term. The Tenant may only apply such option to renew, provided that the Tenant has not been in default throughout the Term and provided the Tenant is not in default of the Lease at the time it provides notice that it would like to renew, unless the Landlord, in its sole discretion, waives such default for the purposes of the renewal. In the event that the Tenant exercise the option as aforesaid, then the Renewal Term shall be upon the same terms and conditions as contained in this Lease save and except that:

- (a) there shall be no additional option to renew;
- (b) with respect to such Renewal Term, the Landlord shall have no obligation to pay to the Tenant any Tenant's allowance, or inducement to the Tenant (including without limitation any rent free period), or to do or perform any work in, on to or for the Demised Premises; and
- (c) the Rent in the Renewal Term shall be the fair market rent for the Demised Premises as at the date the option to renew is exercised. If the parties are unable to agree as to fair market rent for the Renewal Term, then fair market rent shall be determined by arbitration pursuant to the *Arbitration Act, 1991*, S.O. 1991, c. 17, as amended, with the cost of such arbitration to be borne equally by the parties.

**ARTICLE 6
RENT**

6.1 **Rent:** The Tenant shall pay to the Landlord in lawful money of Canada, and without deduction, abatement or set-off, the following Rent for the Demised Premises:

- (a) at a **GROSS RENT** for the first year of the term (being January 1, 2007 to December 31, 2007) of twelve thousand nine hundred and sixty four dollars and forty six cents (\$12,964.46) plus G.S.T. payable in advance in equal monthly installments of one thousand and eighty dollars and thirty seven cents (\$1,080.37) plus G.S.T..
- (b) At a **GROSS RENT** for the second and third year renewal terms in accordance with the following table:

Renewal Term	Time Period	RENT (G.S.T. additional)
2	Jan.01/08 –Dec.31/08	\$ 12,964.46 per annum, plus percentage increase in CPI from January 2007 to December 2007
3	Jan.01/09–Dec.31/09	\$ 12,964.46 per annum, plus percentage increase in CPI from January 2007 to December 2008

**ARTICLE 7
PAYMENT OF RENT**

- 7.1 **Covenant to Pay Rent:** The Tenant covenants to pay Rent. The Tenant waives the benefit of Section 35 of the *Commercial Tenancies Act*, R.S.O. 1990, c.L.7, as amended, or any statute that may be substituted therefore, and agrees to pay Rent without any deduction, abatement or set-off whatever. Rent payments and applicable GST are due on the first (1st) day of each month.
- 7.2 **Arrears of Rent:** All Rent in arrears shall bear interest at the Stipulated Rate of Interest from the date on which the same became due until the date of payment thereof.

**ARTICLE 8
TAXES, CHARGES, ETC.**

8.1 **Property Taxes Payable by Tenant**

- (a) The Tenant shall pay as Additional Rent directly to the Landlord the Tenant's share of Real Property Taxes as determined pursuant to this Section.
- (b) The Tenant's share of Real Property Taxes shall be the portion of the Real Property Taxes that are attributable to the Demised Premises, as determined by the Landlord, acting reasonably. Without limiting the foregoing, the following provisions shall apply:
- (i) the Landlord shall be entitled, but not obligated, to allocate Real Property Taxes amongst categories of premises in the Building on the basis of such factors as the Landlord determines to be relevant and to adjust the Tenant's share of Real Property Taxes based on such allocation;
 - (ii) if there are separate assessments (or, in lieu of separate assessments, calculations made by authorities having jurisdiction from which separate assessments may, in the Landlord's opinion, be readily determined) for the Premises for Real Property Taxes, the Landlord may have regard thereto;
 - (iii) nothing herein shall compel or require the Landlord to adjust, continue to adjust or to make the same determination or allocation of Real Property Taxes from year to year or in any fiscal year; and
 - (iv) for the purposes of determining the share of Real Property Taxes payable by the Tenant pursuant to this Lease, Real Property Taxes shall include such additional amounts as would have formed part of Real Property Taxes had the Building been fully assessed during the whole of the relevant fiscal year as fully completed and fully occupied by tenants, with no special exemptions or reductions, and without taking into account any actual or potential reduction of Property Taxes or change of assessment category or class for premises within the Building which are vacant or underutilized.

8.2 **Charges and Terms for Utilities:**

- (a) The Landlord shall be responsible for payment of the total cost (including any penalties and interest) of supplying water, fuel, power and other utilities (the "Utilities") used or consumed in or with respect to the Demised

Premises and the cost of any other utility charges levied or assessed against the Demised Premises in lieu of or in addition to such Utilities.

- (b) Notwithstanding clause 8.2(a) of this Lease, in the event of any consumption of water or natural gas either by reason of the character of the business carried on by the Tenant or by the use of mechanical or other contrivances, the quantity of which is deemed abnormal by the Landlord, the Tenant consents to the installation of a water or natural gas meter at the Tenant's reasonable expense and in a location agreed to by the Landlord and the Tenant, and the Tenant further agrees to pay for the excess water or natural gas consumed on the Demised Premises as Additional Rent.
- (c) In no event is the Landlord liable for, nor has the Landlord any obligation with respect to an interruption or cessation of or a failure in the supply of any such Utilities, services or systems in, to or serving the Building or the Demised Premises, whether or not supplied by the Landlord or other, unless such interruption or cessation is caused by the negligent act or negligent omission of the Landlord or those for whom the Landlord is responsible in law.

8.3 **Heating, Ventilating and Air-conditioning:** Throughout the Term, the heating, ventilating and air-conditioning equipment within and serving the Demised Premises, shall be used, controlled and maintained in accordance with the Maintenance and Repair Obligations schedule (Schedule C) to this Agreement. If the Tenant fails to comply with such stipulations and rules and regulations and/or any of its obligations in such schedule, within fifteen (15) days following receipt of a written notice to comply, the Landlord shall be entitled to take such steps as it deems advisable to correct such default (including, without limitation, entering upon the Demised Premises and assuming control of such equipment), without liability to the Tenant, and the Tenant will pay to the Landlord forthwith upon demand as Additional Rent all reasonable costs and expenses incurred by the Landlord in so doing.

8.4 **Audit:** The Tenant shall provide such information as to the Tenant's or any indemnitor's financial standing and corporate organization as the Landlord requests (either audited or not, at the Landlord's discretion), at the Tenant's expense, within seven (7) calendar days of receipt of such request. The Tenant also agrees to make all of its books and records available for review by the Landlord and/or its auditor upon seven (7) calendar days notice.

ARTICLE 9 USE OF DEMISED PREMISES

9.1. **Use:** The Tenant shall use the Demised Premises solely for the purpose of providing Kumon method after-school supplemental education programs in math and reading to children in grades K through 12. The Tenant will not use or permit, or suffer the use of the Demised Premises or any part thereof for any other business or purpose, without the prior written consent of the Landlord.

9.2 **Conduct of Tenant's Use:** In the conduct by the Tenant of its use in Section 9.1 at the Demised Premises, the following provisions apply.

- (a) The Tenant shall operate its said business in a lawful manner seven (7) days per week between the hours of 8:00 am, to 9:00 p.m., or as otherwise determined by the Tenant, including additional hours for custodial services.
- (b) The Tenant shall maintain an appropriate level of lighting for the Demised Premises during the hours that the Demised Premises are in use.
- (c) The Tenant shall not do, nor suffer or permit to be done, any act in or

about the Common Facilities or the Building which, in the Landlord's reasonable opinion, hinders or interrupts the flow of traffic to, in and from the Building and not do nor suffer or permit anything to be done which, in the Landlord's opinion acting reasonably, in any way obstructs the free movement of any person doing business in the Building with any tenant or occupant of the Building.

- (d) The Tenant shall not, nor shall it suffer or permit its employees or agents to, solicit business in any of the Common Facilities, nor display any merchandise elsewhere within the Building outside the Demised Premises at any time without the prior written consent of the Landlord.
- (e) The Tenant shall not use any loudspeakers, television, phonographs, radios or other devices in a manner so that they can be heard or seen outside of the Demised Premises without the prior written consent of the Landlord.
- (f) The Tenant shall not permit any odors, gases, dust, smoke, fumes, vapors, steam, water, cinders, soot, vibrations, noises or other undesirable effects to emanate from the Demised Premises or any equipment, system, facility or installation therein which, in the Landlord's reasonable opinion, are objectionable or cause any interference with the safety, comfort or convenience of the Landlord or any tenants or occupants of the Building or their customers or invitees, or do or suffer any act or thing which may materially disturb the quiet enjoyment of any occupant of the Building, or of any part of the Building, or which may result in a nuisance. If the Tenant is in default of any of the foregoing, the Landlord shall have the right to inform the Tenant in writing, its manager, or any other person apparently in charge of the Demised Premises of the matter, whereupon the Tenant shall take such steps as are necessary to cure any such default and complete such remedial work as is reasonably requested by the Landlord within a reasonable amount of time given the nature of the work required.
- (g) The Tenant shall keep the Demised Premises in a clean and well-ordered condition, to the satisfaction of the Manager of Realty Services.
- (h) The Tenant shall not keep or store or place or permit to be kept, accumulated, stored or placed any waste or refuse upon the Demised Premises, the Building or the Land.
- (i) The Tenant shall adhere to speed limit and directional signs in the parking lot and access routes on the Lands, and shall not block loading dock or access areas.
- (j) The Tenant shall not park, keep or locate on the parking area within the Common Facilities any trailers or other vehicles (particularly those bearing advertising information) except in the bona fide course of deliveries or pick-ups being made to or from the Demised Premises for the purpose of the Tenant carrying on its business.
- (k) The Tenant shall not knowingly park nor permit or suffer to be parked any motor vehicle overnight anywhere on the Land.
- (l) The Tenant shall not cause, permit or suffer any machines selling merchandise or vending services, including vending machines and machines operated by coins, credit cards or otherwise, to be present in the Demised Premises, unless expressly permitted by this Lease or in writing by the Landlord, such consent not to be unreasonably withheld or delayed.
- (m) The Tenant shall not have or permit to be or suffer on the Demised Premises any machines providing arcade type entertainment, whether operated by coins, credit cards or otherwise, unless expressly permitted

by this Lease or in writing by the Landlord.

- (n) Any business conduct or practice promulgated, carried on or maintained by the Tenant, whether through advertising or selling procedures or otherwise, which in the opinion of the Landlord, acting reasonably, may harm or tend to harm the business or reputation of the Landlord or reflect unfavorably on the Building, the Landlord or other tenants in the Building, or which may confuse, mislead, deceive or be fraudulent to the public, shall be immediately discontinued by the Tenant following the written request of the Landlord.
- (o) Upon termination of the tenancy, the Tenant shall, at its own risk and expense, remove from the Demised Premises, any chattels (and other moveable trade fixtures, furniture and equipment) belonging to is, and repair any damage caused by such removal, and leave the Demised Premises clean, level, neat, and free of all waste material, debris and rubbish, all to the satisfaction of the Manager of Realty Services.

ARTICLE 10 CONSTRUCTION, ALTERATIONS, SIGNS & ADVERTISING

10.1 The Landlord's Approval of the Tenant's Alterations:

- (a) The Tenant shall not make, or permit to be made, any Leasehold Improvements to, in, or for the Demised Premises or any part thereof without, in each instance, first obtaining the Landlord's written approval thereto, which consent will not be unreasonably withheld or delayed. Prior to commencing any such Leasehold Improvements, the Tenant shall submit to the Landlord:
 - (i) details of the proposed Leasehold Improvements including detailed drawings and specifications prepared at the Tenant's expense;
 - (ii) evidence satisfactory to the Landlord that the Tenant has obtained, at the Tenant's expense, all necessary consents, permits, clearances, licences and inspections from all governmental and regulatory authorities having jurisdiction, and
 - (iii) evidence of such increases in Insurance as the Landlord requires in writing. The Tenant shall perform, or cause such Leasehold Improvements to be performed.
- (b) The Tenant shall make or cause to be made, any permitted Leasehold Improvements in the manner described below.
 - (iv) at the sole cost and expense of the Tenant;
 - (v) as expeditiously and as diligently as possible, in a good and workmanlike manner and using first class quality new materials;
 - (vi) in accordance with the drawings and specifications approved in writing by the Landlord and the requirements of all governmental authorities having jurisdiction; and
 - (vii) subject to such rules, regulations and controls as are reasonably designated by the Landlord.
- (c) The making or installing of any Leasehold Improvements may be subject to supervision or inspection by the Landlord or its authorized agents, at the discretion of the Landlord.

- (d) Any such Leasehold Improvements made or permitted to be made by the Tenant to, in or for the Demised Premises without the prior written consent of the Landlord or which are not made in accordance with the drawings and specifications approved by the Landlord shall, at the Landlord's discretion, be immediately removed by the Tenant at the Tenant's expense and the Demised Premises restored to their previous condition, failing which the Landlord may, at its option, with five (5) days written notice to the Tenant and without any liability on the Landlord's part, enter the Demised Premises and remove them at the Tenant's expense, which shall be paid by the Tenant to the Landlord as Additional Rent on demand. The Tenant agrees that such removal by the Landlord is not a re-entry or a breach of any covenant for quiet enjoyment contained in this Lease.
- (e) However, if in the Landlord's reasonable opinion, any Leasehold Improvements, or the installation of such, (1) may affect the structure of the Demised Premises or any other part of the Building, or (2) are to be installed outside of the Demised Premises, or (3) are to be installed within the Demised Premises but are part of the Common Facilities, or (4) may affect portions of the HVAC System within the Demised Premises, then such Leasehold Improvements shall, at the Landlord's option, acting reasonably, be performed only by the Landlord, but in all cases be at the Tenant's sole cost and expense, provided that such costs and expenses are reasonably incurred. Upon receipt of invoice from the Landlord, the Tenant shall pay to the Landlord, as Additional Rent upon demand, the Landlord's costs relating to any such Leasehold Improvements including the reasonably incurred fees and expenses of any architectural, engineering or other consultants or professionals.
- (f) No Leasehold Improvements to, in or for the Demised Premises by or on behalf of the Tenant shall be permitted which in the Landlord's opinion may weaken or endanger the structure or adversely affect the condition, safety or operation of the Demised Premises or the Building, or impair the use of the Common Facilities, or restrict or reduce the Landlord's coverage for zoning purposes, or cause the Landlord to provide additional parking spaces.

10.2 Signs and Advertising: The Tenant, at its expense, shall (after first obtaining the consent of the Landlord, and paying any applicable fees and the consent of all governmental authorities, and paying any applicable fees, having jurisdiction as aforesaid) erect, operate, maintain, repair and replace an exterior and interior identification sign or signs of a type or types and in a location or locations as specified, and approved, in writing by the Landlord and in accordance with the Landlord's sign policy for the Building and sign By-Law for the City of Brampton. The Tenant shall promptly indemnify and hold the Landlord harmless from and against any and all claims with respect to any of the Tenant's Signs (including, without limitation, any loss or damage caused to any property or any Injury caused to any Person as a result of the placing, use, removal, dislodgement or collapse of any such Signs). At the expiration or earlier termination of this Lease, the Tenant shall, at the Tenant's expense, remove any Sign from the Demised Premises that the Landlord at its option, upon written notice to the Tenant, requires to be removed, and immediately repair all damage caused by any such removal. The Tenant's obligation to observe this covenant shall survive the expiration or earlier termination of this Lease. The Tenant shall not erect any signage or structure on the Lands without the written consent of the Manager of Realty Services.

10.3 Use of Landlord's Trademarks and Symbols: Subject to obtaining written approval from the Landlord, the Tenant may, in the conduct of its business in the Demised Premises, promote the Building and use the trade names, symbols, marks and slogans of the Landlord (as specified by the Landlord in any written approval granted). The Tenant shall not acquire nor be deemed to have acquired any interest in any such trade names, symbols, marks or slogans and on the expiration of the Term the Tenant shall immediately discontinue all use thereof. If

the Landlord advertises the Building, such advertising may display or mention the name of the Tenant subject to the prior written approval of the Tenant as to how its name or trademarks are used, displayed or mentioned.

10.4 **Tenant's Liens:**

- (a) The Tenant shall not suffer or permit any liens at common law or under the provision of any statute (including liens for labour or materials under the *Construction Lien Act*, R.S.O. 1990, Chapter C.30, as amended) to be filed against the Demised Premises, the Land, or the Building or any parts thereof by reason of work, labor, services or materials supplied or claimed to have been supplied to the Tenant or anyone holding the Demised Premises or any part thereof through or under the Tenant.
- (b) If and whenever any such lien shall arise the Tenant shall promptly and in any event within 30 days after notice from the Landlord, take or cause to be taken such measures as shall be necessary to either (i) vacate the registration of any notice of lien and certificate of action from title by payment into court as per s.44 of the *Construction Lien Act* or by obtaining an order under sections 45 or 46 of the *Construction Lien Act* and, if the Landlord is named in a related Statement of Claim (ii) procure the discharge thereof or a release of the Landlord from any claim or a Court order dismissing the Landlord from the claim.
- (c) If the Tenant shall fail to discharge such lien or order within such period, the Landlord may, in addition to any other right or remedy of the Landlord, but shall not be obligated to, take any action prescribed in clause (b) above in the manner it deems appropriate.
- (d) Any amount paid by the Landlord for any of the aforesaid purposes and all legal costs (on a solicitor and client basis) and other expenses of the Landlord, including counsel fees, for any related items related to this section, with all necessary disbursement in connection therewith, together with interest thereon at the Stipulated Rate of Interest from the date of payment, shall be repaid by the Tenant to the Landlord on demand, and if unpaid may be treated as Additional Rent.
- (e) Nothing herein contained shall authorize the Tenant, or imply any consent or agreement or request on the part of the Landlord, to subject the Landlord's estate or interest in the Building, Land or Demised Premises to any construction lien or other lien or any nature or kind whatsoever.
- (f) Notice is hereby given that the Landlord hereby expressly refuses and denies any consent or agreement or request to permit the Landlord's estate or interest in the Building, Land or Demised Premises to be subject to any construction lien or other lien of any nature or kind whatsoever without the express written agreement of the Landlord to that effect.

ARTICLE 11 REPAIR AND MAINTENANCE OF DEMISED PREMISES

11.1 **Repair and Maintenance Obligations:** The repair and maintenance related to the Demised Premises and Building shall be in accordance with Schedule D.

11.2 **Tenant's Obligations:** Subject to Article 17, and the Maintenance and Repair Obligations in **Schedule "D"**, the Tenant covenants the following.

- (a) The Tenant shall, at all times, at its sole cost, keep and maintain in good order, first-class condition and repair and shall, unless otherwise indicated in this Lease, make all needed repairs and replacements with due diligence and dispatch to

- (i) the whole of the Demised Premises;
 - (ii) all interior signs (, partitions, doors and fixtures located in or upon the Demised Premises (excluding windows); and
 - (iii) all Leasehold Improvements, equipment in and appurtenances of the Demised Premises, including, but not limited to trade fixtures and signs.
- (b) All repairs or replacements made in and to the Demised Premises pursuant to this Lease shall be carried out with such materials originally installed in the Demised Premises or any substitutes therefore which shall be in all respects equal thereto in quality, use and durability, all as approved by the Landlord, which approval is not to be unreasonably withheld or delayed.
 - (c) The Landlord may enter and view the state of repair at any reasonable time, without notice, provided that such inspection does not materially disturb the Tenant's operations.
 - (d) If the Landlord provides notice to the Tenant that repair or maintenance is necessary, the Tenant shall repair the Demised Premises according to the stipulations specified in that notice.
 - (e) The Tenant shall leave the Demised Premises in good repair subject to reasonable wear and tear and in a manner consistent with the covenant of the Tenant set out in Section 11.2(a) at the end of the Term.

11.3 **Pest and Rodent Control:** Unless the Landlord elects to assume control over pest and rodent extermination in order to maintain satisfactory and uniform pest and rodent control throughout the Building, where necessary, the Tenant shall engage for the Demised Premises at its sole cost such extermination contractor as it deems necessary. Such extermination shall not be unduly obnoxious to other tenants in the building, and seven (7) days' notice shall be provided to the Landlord and all other Tenants before any spraying occurs.

11.4 **Notice of Defects or Damage:** The Tenant shall promptly notify the Landlord of any defect or deficiency in, malfunction of, or damage to, the Demised Premises, or any equipment, Leasehold Improvement, service or utility therein of which the Tenant becomes aware at any time during the Term.

11.5 **Tenant Not to Overload Floors:** The Tenant shall not bring upon the Demised Premises or any part thereof, any machinery, equipment, article or thing that by reason of its weight, size or use might in the reasonable opinion of the Landlord damage the Demised Premises and will not at any time overload the floors of the Demised Premises and that if any damage is caused to the Demised Premises by any machinery, equipment, object or thing or by overloading, or by any act, negligence or misuse on the part of the Tenant, or any of its servants, agents or employees, or by any person having business with the Tenant, the Tenant will forthwith repair the same, or at the option of the Landlord, pay the Landlord forthwith on demand as Additional Rent, the cost of any necessary repairs.

ARTICLE 12 INSURANCE

12.1 Tenant's Insurance:

- (a) The Tenant shall at all times during the currency of the term of this agreement, at its own cost and expense, take out and keep in full force and effect the following insurance coverage with respect to the Demised Premises and its use and occupation thereof.

- (i) General Liability Insurance in respect of the Demised Premises against all claims for personal injury, including injury resulting in death, and property damage with an inclusive limit of not less than \$3,000,000 per occurrence.
 - (ii) Tenant's Legal Liability Insurance in respect to the Demised Premises in an amount of not less than \$500,000.
- (b) Such policy or policies shall name The Corporation of the City of Brampton as an additional insured as its interest may appear and be with insurers that have a rating which meets the requirements of the City of Brampton's policy on Insurance.
 - (c) The Tenant shall deposit with the Landlord, prior to entering into this agreement, a Certificate of Insurance on a form provided by the Landlord.
 - (d) If such policy or policies are cancelled, changed for any reason or materially altered in any way that would affect the City of Brampton, thirty (30) days prior written notice by registered mail will be given by the Tenant's insurer to the Landlord.
 - (f) The City of Brampton reserves the right to request such higher limits of insurance or other types of insurance policies appropriate to this agreement as the Landlord may reasonably require from time to time.
 - (g) The Tenant shall be responsible for obtaining contents insurance in such amounts as required to adequately cover the Tenant's property, equipment and any other such property in the care, custody, and control of the Tenant that is kept at the Demised Premises and is not property of the Landlord. Such policy must contain a waiver of subrogation against the Landlord. The Landlord shall have no responsibility for such property or equipment

**ARTICLE 13
ENVIRONMENTAL PROVISIONS**

13.1 Compliance with Environmental Laws.

- (a) The Tenant shall not bring or cause to be brought any hazardous or toxic product or substance, or contaminant (as such are defined under the applicable environmental legislation) at, in, on or under the Demised Premises, the Building or the Land, without first obtaining written consent from the landlord thirty (30) days prior to doing so, and such consent may be arbitrarily withheld.
- (b) The Tenant agrees that it shall fully and promptly comply with all applicable environmental laws, with respect to its use of the Demised Premises, including, but not limited to, laws regarding obtaining licenses, certificates of approval, permits and other approvals, storage of products or materials, and discharges of contaminants.
- (c) The term "environmental laws" in this Article 13, shall include, but not be limited to common law and all present and future applicable federal, provincial, local, municipal, governmental or quasi-governmental statutes, laws, by-laws, rules, regulations, licences, orders, guidelines, policies, directives, permits, decisions, or requirements concerning occupational or public health and safety, or the environment in any act, order, injunction, judgment, declaration, notice or demand issued thereunder.
- (d) The Tenant agrees to immediately notify the Landlord if the release, discharge or spill or leakage of any hazardous or toxic product or substance or contaminant has occurred in, on, or under the Demised Premises, Building and/or Land or of any inquiry, test, investigation or

enforcement proceeding by or against the Tenant, Lessor or the Demised Premises, Building or Land.

- (e) The Tenant agrees to assume any and all liability and responsibility related to any claims or damages regarding the release, discharge or spill or leakage of any hazardous or toxic product or substance or contaminant in, on, under, along, across and around the Demised Premises, Building or Land, and the damages or injury related thereto and the Tenant agrees to promptly do any and all work, and pay any and all costs which arise in relation to such, in connection with the following:
- i) the use of or occupation of the Demised Premises, Building or Land by the Tenant or any of its invitees, employees, servants, agents, contractors, or anyone for whom it is legally responsible, regardless of whether consent was granted to those or not; and/or
 - ii) any products or goods brought in, on, under, along, across or around the Demised Premises by the Tenant, or any of its invitees, employees, servants, agents, contractors, or anyone for whom it is legally responsible, regardless of whether consent was granted to those or not.
- (f) The Tenant agrees that the Owner is not responsible, either directly or indirectly, for the Claims and Losses or any damage to property or injury to a person, including death, arising from the escape, discharge or release of any contaminant or hazardous or toxic substance from the Demised Premises, Land or Building, that arises in connection with the Tenant's (or any of its invitees, employees, servants, agents, contractors, or anyone for whom it is legally responsible, regardless of whether consent was granted to those or not) use or occupation of the Demised Premises, Land or Building, unless such Claims and Losses, damage or injury, is caused by the gross negligence or wilful misconduct on the part of the Owner, or those for whom it is legally responsible(g) Upon the expiration of the Term or other termination of this Lease, the Tenant agrees to leave the Demised Premises clean of any contaminants, hazardous substances, products or waste, or any toxic substances and to leave it suitable for immediate reuse for any commercial purposes.
- (h) During the last six (6) months of the Term, the Landlord may conduct such reasonable environmental audits and inspections of the Demised Premises as the Landlord may determine given the nature of the Tenant's business operations, provided that such environmental audits do not interrupt the Tenant's business activities. In the event that such audits and inspections indicate environmental damage which the Landlord proves was caused by the Tenant regarding any contaminant or hazardous or toxic substance, then the reasonable costs of such audits or inspections shall be for the account of the Tenant and shall be collectable as Additional Rent, and paragraph (e) above shall apply.

ARTICLE 14 INDEMNITY

- 14.1 **By Tenant:** The Tenant shall indemnify, save harmless, and defend (at the Landlord's discretion) the Landlord, its elected officials and any other person for whom it is in law responsible, from any kind of liability, suit, claim, demand, fine, action, or proceeding of any kind which may be brought against it, and from and against any and all losses, costs, damages, or expenses (including the Landlord's legal fees) suffered or incurred by the Landlord (including those related to the *Construction Lien Act*, R.S.O. 1990, c. C30, as amended, and the *Workplace Safety and Insurance Act*, 1997, S.O. 1997, c. 16, Schedule A, as amended) (the "Claims and Losses"), howsoever caused (either directly or indirectly), including by reason of any damage to property, delay, or injury (including injury resulting in death) to any person, in any way connected with this

Lease Agreement or use of the Demised Premises by the Tenant (or by those for whom it is in law responsible), or arising from any breach of or non-performance by the Tenant of any provision of this Lease, or in connection with any environmental matter expressed in Article 13, unless such Claims or Losses are caused directly by the gross negligence or wilful misconduct on behalf of the Landlord or those for whom in law it is responsible. This indemnity and release shall survive the Term or any Renewal Term.

- 14.2 **Limit of Landlord's Liability:** The Tenant agrees that, except as a result of the Landlord's gross negligence or willful misconduct, the Landlord shall not be liable or responsible in any way for any consequence whatsoever arising from the Tenant's use or occupation of the Demised Premises, Building or Land, and in particular, without limiting the generality of the foregoing, the Landlord shall not be liable for any loss, damage, death or injury of any nature whatever resulting from the following:
- (a) the condition or arrangement or from the interruption or breakdown of any heating, ventilating, air-conditioning, sprinkler, mechanical or electrical equipment or machinery or of any water, gas, sewage, electrical power or other utility in the Demised Premises, the Building;
 - (b) steam, smoke, water, rain, snow or other substances leaking, issuing, flowing or escaping into any part of the Demised Premises;
 - (c) theft;
 - (c) anything done or omitted to be done by other occupants of the Building, by persons in the Demised Premises or in the Building, or by occupants of adjacent property, or by the public.

ARTICLE 15 ENTRY BY LANDLORD

- 15.1 **Right of Landlord:** The Landlord and its authorized servants, employees, agents and contractors shall be entitled at all reasonable times without notice to the Tenant, to enter upon the Demised Premises for the purposes of inspecting and/or making any repair in this Lease or Schedule D required or permitted to be made by the Landlord.
- 15.2 **Annual and Final Inspections:** The Tenant agrees that, upon thirty (30) days notice, the Landlord may, at its discretion, conduct an annual inspection of the Demised Premises in accordance with the Landlord's Tenant inspection form, available for viewing at the Landlord's property management office, suite 015. In addition, upon thirty (30) days notice, the Landlord may, at its discretion, conduct a final inspection of the Demised Premises prior to the termination of this Lease.
- 15.3 **Maintenance of Services and Utilities:** The Landlord shall have the right to enter the Demised Premises, at all reasonable times, without notice, in order to use, install, maintain and repair pipes, wires, ducts and other installations in, under or through the walls, ceilings and floor of the Demised Premises for or in connection with the supply of any services or utilities to the Demised Premises or to any part of the Building or of the Building, and the Landlord will make every effort to notify affected Tenants as far in advanced as is reasonably possible in order to do such work, the Landlord may interrupt or suspend the supply to the Demised Premises of any services or utilities where necessary until such repairs, alterations, improvements or additions shall have been completed.
- 15.4 **Entry in Absence of Tenant:** If the Tenant shall not be personally present to open and permit entry into the Demised Premises at any time when for any reason an entry therein shall be necessary or permissible, the Landlord or the Landlord's authorized agent may enter the same by a master key, without

rendering the Landlord or such agents liable therefore, and without in any manner affecting the covenants, obligations and agreements of the Tenant under this Lease.

- 15.5 **Entry in Case of Emergency:** If the Landlord determines that entry into or onto the Demised Premises or common facilities is necessary due to an emergency situation, the Landlord, or any of its employees, servants, contractors or agents may enter without notice, and without liability with respect to such entry.

ARTICLE 16 LANDLORD'S REMEDIES

- 16.1 **Landlord May Perform Tenant's Covenants:** In the event that the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease (other than its covenant to pay Rent and Additional Rent) and such default shall continue for a period of fifteen (15) consecutive days or such longer period as may be reasonably required in the circumstances to cure such default, after prior written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied, the Landlord may remedy such default and the reasonable cost thereof to the Landlord together with interest thereon at the Stipulated Rate of Interest from the date of such default shall be added to the Rent due and/or Additional Rent due, as may be the case, on the next succeeding date on which Rent and/or Additional Rent is payable, and such amount shall thereupon become due and payable as Rent in addition to the regular payment of Rent then due. The Landlord shall be subrogated to the extent of such payment to all rights, remedies and priorities of the payee of the amount paid by the Landlord to remedy such default.

16.2 **Re-entry:** When

- (a) the Tenant shall be in default in the payment of any Rent and such default shall continue for a period of ten (10) consecutive days after prior written notice from the Landlord to the Tenant (no notice being required if the Tenant has been in default of this clause on two or more occasions), or
- (b) the Tenant shall be in default of any of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease (other than its covenant to pay Rent) and such default shall continue for a period of fifteen (15) consecutive days or such longer period as may be reasonably required (as determined by the Landlord) by the circumstances to cure such default, after prior written notice by the Landlord to the Tenant specifying with reasonable particularity the nature of such default and requiring the same to be remedied, or
- (d) the Tenant shall have filed any proposal or made any assignment for the benefit of creditors, or shall have made any assignment or have had a receiving order made against it under the *Bankruptcy and Insolvency Act*, R.S.1985, c. B-3, s. 1; 1992, c. 27, as amended, or shall have made application for relief under the provisions of any statute now or hereafter in force concerning bankrupt or insolvent debtors, or any action whatever, legislative or otherwise, shall have been taken with a view to the winding up, dissolution or liquidation of the Tenant or its assets, or
- (e) a receiver or a receiver and manager is appointed for all or a portion of the Tenant's property, or
- (f) the Tenant makes a sale in bulk (other than a Bulk Sale made to an assignee or subtenant pursuant to a permitted assignment or subletting hereunder and pursuant to the *Bulk Sales Act*, R.S.O. 1990, C.B.14, as amended, or any statute subsequently passed to take the place of or to amend the said Act), or

- (g) this Lease or any of the Tenant's assets on the Demised Premises are taken under any writ of execution, chattel mortgage, charge, debenture or other security instrument, or
- (h) any distress is levied upon any of the Tenant's goods in the Demised Premises, or
- (i) the Tenant effects or attempts to effect a transfer or a change in the effective voting control of the Tenant that is not permitted, in advance, in writing, by the Landlord,
- (j) the Demised Premises are vacated, or remain unoccupied for a period of fifteen (15) consecutive days, provided that any such vacancy or non-occupation is not linked to any maintenance, repair or renovation work.

then and in any of such cases the then current month's Rent and Additional Rent together with Rent for the three (3) month's next ensuing shall immediately become due and payable (in the case of bankruptcy or insolvency as well), and at the option of the Landlord upon written notice, the Term and any Renewal Term shall become forfeited and void. The Landlord may, having given notice (in accordance with section 19(2) of the *Commercial Tenancies Act*, R.S.O. 1990, L.7, as amended) forthwith re-enter upon the Demised Premises or any part thereof, repossess and enjoy the same as of its former estate, anything contained in any statute or law to the contrary notwithstanding, provided however, that such forfeiture shall be wholly without prejudice to the right of the Landlord to recover arrears of Rent or damages for any antecedent default by the Tenant of its covenants, obligations or agreements under this Lease or of any term or condition of this Lease and provided further that notwithstanding any such forfeiture the Landlord may subsequently recover from the Tenant damages for loss of Rent suffered by reason of this Lease having been prematurely determined.

16.3 **Landlord May Relet:** If the Landlord does not exercise its option under Section 16.2 to terminate this Lease it may nevertheless in the events set out in this Article re-enter the Demised Premises, upon giving five (5) days written notice, without terminating this Lease, and without any liability or providing any compensation, to make such reasonable alternations and repairs as may be necessary in order to relet the Demised Premises, or any part thereof, and the Landlord may relet the Demised Premises. If rentals received from reletting during any month be less than that paid during that month by the Tenant, the Tenant shall pay any such deficiency to the Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the Demised Premises by the Landlord shall be construed as an election on its part to terminate this Lease unless a written notice of such intention be given to the Tenant. Notwithstanding any such reletting without termination, the Landlord may at any time thereafter upon giving notice, elect to terminate this Lease by reason of such previous event. Should the Landlord at any time terminate this Lease by reason of any such event, in addition to any other remedies it may have, it may recover from the Tenant damages it may incur with respect thereto, including the cost of recovering the Demised Premises, and any related legal and professional fees, and including the worth at the time of such termination of the excess, if any, of the amount of Rent and other sums reserved in this Lease for the remainder of the Term, all of which amounts shall be immediately due and payable from the Tenant to the Landlord as Additional Rent on demand. In determining the Rent which would be payable under this Lease by the Tenant subsequent to default, the annual Rent for each year of the unexpired portion of the Term shall be equal to the average annual Rent paid by the Tenant from the Lease Commencement Date to the time of default or during the preceding three (3) full Lease Years, whichever period is shorter, plus Additional Rent.

16.4 **Distress:** In any of the events set out in this Article the Landlord in addition to the other rights reserved to it shall have the right to enter the Demised Premises on five (5) days prior written notice (and with no notice if the event is the Tenant

being in default of Rent) as agent of the Tenant and to take possession of any goods and chattels, except trade fixtures, on the Demised Premises, and save and except any such goods and chattels as are owned by third parties or any occupiers of the Demised Premises other than the Tenant, and to sell the same at public or private sale without notice and apply the proceeds of such sale on account of the Rent or other sums provided in this Lease to be paid by the Tenant as Rent in arrears or in satisfaction of the default by the Tenant of its covenants, obligations or agreements and the Tenant shall remain liable for the deficiency, if any. Notwithstanding any present or future statute of the Ontario Legislature, none of the Tenant's goods and chattels on the Demised Premises shall at any time during the Term or after be exempt from levy by distress for Rent arrears, and the Tenant, having waived any such exemption, shall by this clause be estopped from setting up any such exemption in any proceedings between the parties. Any distress of goods in this clause shall not constitute trespass or a breach of any term of this Lease. A distress may be affected by placing written notice on the door of the Demised Premises, and after such notice is posted, the Tenant agrees not to remove any items from the Demised Premises.

16.5 **Landlord May Follow Chattels**: In case of removal by the Tenant of the goods and chattels of the Tenant from the Demised Premises; the Landlord may follow the same for thirty (30) days in the same manner as is provided for in the *Commercial Tenancies Act*, R.S.O. 1990, c. L. 7, as amended, or any successor legislation or other statute which may hereafter be passed to take the place of the said Act.

16.6 **Expenses**: If legal action or any proceeding or demand is brought or made or any cost incurred by the Landlord for recovery of possession of the Demised Premises for the recovery of Rent or any other amount due under this Lease, or through the distraint of goods, or because of the breach of any other terms, covenants or conditions herein contained on the part of the Tenant to be kept or performed, the Tenant shall pay to the Landlord all reasonable expenses incurred therefore, including, but not limited to solicitor's fees, and bailiff fees.

ARTICLE 17

DAMAGE AND DESTRUCTION, EXPROPRIATION AND DEMOLITION

17.1 **Destruction of Demised Premises**:

- (a) If the Demised Premises are at any time destroyed or damaged as a result of fire, the elements, accident or other casualty and not caused by the Tenant, and if as a result of such occurrence:
 - (i) the Demised Premises are in the mutual agreement of the parties, acting reasonably tendered untenable only in part, this Lease shall continue in full force and effect and the Landlord shall, subject to Section 17.2(a) hereof, commence diligently to reconstruct, rebuild or repair the Demised Premises with the exception of the Leasehold Improvements, other improvements and betterments made by or on behalf of the Tenant (the "Improvements"); and Rent and Additional Rent shall abate proportionately to the portion of the Demised Premises rendered untenable until forty-five (45) days after the parties mutually agree that the Demised Premises have been completely restored and rendered tenantable by the Landlord to the extent of the Landlord's obligation contained in this paragraph;
 - (ii) the Demised Premises are in the mutual agreement of the parties, acting reasonably rendered wholly untenable, this Lease shall continue in full force and effect and the Landlord shall, subject to Section 17.2(a) hereof, commence diligently to construct, rebuild or repair the Demised Premises with the exception of the Leasehold Improvements, and Rent and Additional Rent shall abate entirely until forty-five (45) days after the parties mutually agree that the Demised Premises have been completely restored and rendered

tenantable by the Landlord to the extent of the Landlord's obligation contained in this paragraph;

- (iii) the Demised Premises are not rendered untenable in whole or in part, this Lease shall continue in full force and effect, the Rent and other payments payable by the Tenant shall not terminate, be reduced or abate and the Landlord shall, commence diligently to reconstruct, rebuild or repair the Demised Premises with the exception of the Leasehold Improvements,
- (b) Upon the parties agreeing that, acting reasonably, the Landlord has reconstructed the portion of the Demised Premises for which it is responsible, the Tenant shall, within forty-five (45) days thereafter, forthwith diligently reconstruct, rebuild or repair the Improvements to fully restore the Demised Premises for business fully fixtured, stocked and staffed.
- (c) Notwithstanding anything contained in this Lease and specifically notwithstanding the provisions of this Article 17, if the Demised Premises are damaged or destroyed at any time during the last three (3) years of the Term or of any renewal term, the Landlord shall not be required to reconstruct, rebuild, or repair the Demised Premises following any such damage or destruction unless the Tenant has exercised at least one of any subsequent options to renew which it may have in accordance with the provisions of this Lease, within a period of forty-five (45) days from the date of occurrence of the damage or destruction. In the event that the Landlord elects not to reconstruct, rebuild or repair the Demised Premises following any such damage or destruction, the Landlord shall so notify the Tenant within thirty (30) days following any such damage or destruction of its election and in the case of such election, the term of this Lease and the tenancy hereby created shall expire by passage of time upon the thirtieth (30th) day after such election is made, and the Tenant shall, within such thirty (30) day period, vacate the Demised Premises and surrender the same to the Landlord and the Landlord shall have the right to re-enter and repossess the Demised Premises discharged of this Lease and to remove all persons and property therefrom.

17.2 **Destruction of Building:**

- (a) Notwithstanding anything contained in this Lease and specifically notwithstanding the provisions of Section 17.1 hereof, if fifty per cent (50%) or more of the Gross Leasable Area of the Building is at any time destroyed or damaged as a result of fire, the elements, accident or other casualty, whether or not the Demised Premises are affected by such occurrence, and the Landlord elects within thirty (30) days of the occurrence of such damage or destruction not to repair such damage or destruction, then and so often as any such events occur, either party may, at its option (to be exercised by written notice to the other party within thirty (30) days following such election) cancel or terminate this Lease. In the case of such election to terminate, the Term and the tenancy hereby created shall expire upon the thirtieth (30th) day after such notice is given, without indemnity or penalty payable by one party to the other and the Tenant shall, within such thirty (30) day period, vacate the Demised Premises and surrender the same to the Landlord with the Landlord having the right to re-enter and re-possess the Demised Premises discharged of this Lease and to remove all property therefrom. Rent and Additional Rent shall be due and payable without deduction or abatement subsequent to the destruction or damage and until the date of termination, unless the Demised Premises shall have been destroyed or damaged as well, in which event Section 17.1 shall apply;
- (b) If all or any part of the Building is at any time destroyed or damaged as set out in Section 17.2(a), and the Landlord does not elect to terminate this Lease in accordance with the rights hereinbefore granted, the Landlord shall commence diligently to reconstruct, rebuild or repair that part of the Building so destroyed or damaged following such destruction or damage, or such parts of the Building that must be reconstructed, rebuilt or repaired for the Tenant to be able to continue to lease the Demised Premises.
- (c) If the Landlord elects to repair, reconstruct or rebuild the Building or any part or parts thereof, the Landlord must provide the Tenant with premises of comparable size, frontage and location to that which existed prior to any such damage or destruction, if the Demised Premises are untenable,

until such time as the Demised Premises are tenantable.

- 17.4 **Expropriation**: Both the Landlord and the Tenant agree to co-operate with each other in respect of any expropriation of all or any part of the Demised Premises or any other part of the Building, or Land so that the maximum award in the case of any expropriation shall be achieved. To the extent that any portion of the Building, Demised Premises or Land is expropriated the full proceeds accruing therefrom shall belong solely to the Landlord, and the Tenant shall abandon or assign to the Landlord any rights which the Tenant may have to such and promptly execute any documents which the Landlord deems necessary to give effect to this provision. If any part of the Demised Premises is expropriated, and as a result hereof, the area of the Demised Premises is reduced, then, the Gross Leasable Area of the Demised Premises shall be adjusted to take into account any such reduction in area, and the annual Rent payable by the Tenant pursuant to Section 6 shall be adjusted on the basis of the rental rate set out therein.
- 17.5 **Remodelling and Demolition**: In the event of the Landlord desiring during the Term, to remodel the Building, or any part thereof, or to take down the Building, the Tenant will on receiving six months' notice in writing, surrender this Lease and all the remainder of the Term, if any, then yet to come and unexpired, as from the day mentioned in such notice, and will, subject nevertheless to the provisions herein before contained thereupon, vacate the Premises and yield up to the Landlord the peaceable possession thereof. It is understood that said six months' notice need not expire at the end of any year or at the end of any month, and in the event of the day fixed for termination of the Lease expiring on some other day than the last day of a month, the Rent for such month shall be apportioned for the broken period. It is further understood that the Landlord will compensate the Tenant for the remaining book value of only the Leasehold Improvements.

ARTICLE 18 EXPIRATION OF TERM

- 18.1 **Rights to Additions and Leasehold Improvements**: The Tenant shall have the right to all alterations, decorations, additions made by the Tenant (or by the Landlord on the Tenant's behalf) that are not Leasehold Improvements, and on the expiration or early termination of this Lease, title to the Leasehold Improvements shall be deemed to be the property of the Landlord from the time they are installed, and at and from the termination of this Lease. However, the Tenant shall, within thirty (30) days from the expiration of the Term, at its own cost, remove such of the Leasehold Improvements and fixtures as the Landlord requires to be removed, and pay for the cost of such removal, and promptly perform and pay for any repairs required to fix damages caused by such removal.
- 18.2 **Surrender of Demised Premises**: At the expiration of the Term the Tenant shall peaceably surrender and yield up to the Landlord the Demised Premises and all Leasehold Improvements not removed therefrom pursuant to Section 18.1 all in good and substantial repair and condition in accordance with this Lease, reasonable wear and tear excepted, and the Tenant shall surrender all keys for the Demised Premises and other locking devices to the Landlord at the place then fixed for the payment of Rent. Tenant will also ensure that the premises will be left in a general state of cleanliness, with any items, including garbage, removed immediately prior to yielding possession to the Landlord.
- 18.3 **Overholding**: If the Tenant remains in possession of all or any part of the Demised Premises after the expiry of the Term with the consent of the Landlord and without any further written agreement, or without the consent of the Landlord, there shall be no tacit renewal or extension of this Lease and, despite any statutory provision or legal presumption to the contrary, the Tenant shall be deemed conclusively to be occupying the Demised Premises as a monthly

tenant, as if the Landlord did consent to the Tenant remaining in possession, or as a tenant at will, if the Landlord did not consent to the Tenant remaining in possession, in either case on the same terms and conditions as set forth in this Lease, (except for the Term and the exceptions hereinafter set out in this provision 18.3, but including the payment of Additional Rent). In so far as terms would be applicable to a monthly tenancy in the former case and as would be applicable to a day-to-day tenancy in the latter case, except that the monthly Rent shall be

- (a) the aggregate of the following:
 - (i) twice the monthly amount of Minimum Rent payable during the last month of the Term,
 - (ii) one sixth ($1/6^{\text{th}}$) of the highest amount of [Percentage Rent] payable for any rental year of the Term, and
 - (i) and one-sixth ($1/6^{\text{th}}$) of the amount of Additional Rent payable by the Tenant in the last twelve (12) month rental year of the Term.
- (b) or, on hundred and fifty percent (150%) of the aggregate of the monthly minimum rent and additional rent prevailing at the date of such overholding for renting of improved premises which are either identical or similar to the Demised Premises, as determined by the Landlord, and where the Tenant is deemed conclusively to be occupying the Demised Premises as a tenant at will, such monthly Minimum Rent shall be prorated on a daily basis, and excepting provisions for renewal or extension (if any), or Rent-free or Fixturing Period (if any) or restrictive covenant (if any) or right of first refusal (if any) or option on additional space in the Building (if any) contained herein, and nothing to the contrary, including the acceptance of any Rent by the Landlord, shall extend or renew this Lease, except an agreement in writing between the Landlord and Tenant and the Tenant hereby authorizes the Landlord to apply any moneys received from the Tenant in payment of such monthly Rent. The Tenant shall promptly indemnify and hold harmless the landlord from and against any and all Claims incurred by the Landlord as a result of the Tenant remaining in possession of all or any part of the Demised Premises after the expiration of the Term. The Tenant shall not interpose any counterclaim in any summary or other proceeding based on overholding by the Tenant. Nothing contained in this Article 18 of the Lease shall (i) preclude the Landlord from taking action for recovery of possession of the Demised Premises, or (ii) be construed to constitute the Landlord's consent to the Tenant holding over at the expiration or earlier termination of this Lease or to give the Tenant the right to hold over after the expiration or earlier termination of this Lease or (iii) limit the liability of the Tenant in damages or otherwise.

18.4 **Effect of Termination:** The termination of this Lease whether by passage of time or by the exercise of any right of either the Landlord or Tenant pursuant to this Lease shall be wholly without prejudice to the right of the Landlord to recover arrears of Rent or damages for a prior default by the Tenant of its covenants, obligations or agreements under this Lease.

18.5 **Exhibit Demised Premises:** During the six (6) months prior to the expiration of the Term, the Landlord may exhibit the Demised Premises to prospective Tenants and place upon the Demised Premises the usual notices "For Rent" which notices the Tenant shall permit to remain without alteration. The Landlord may after providing the Tenant with twenty-four (24) hours written notice, during the Tenant's regular business hours, exhibit the Demised Premises to prospective purchasers or mortgagors of the Building.

ARTICLE 19
DISPOSITIONS BY TENANT

19.1 Assignment and Sub-letting:

- (a) The Tenant will not assign this Lease, or permit this Lease to be assigned, in whole or in part, nor sublet all or any part of the Demised Premises, nor mortgage, charge, or otherwise encumber this Lease or the Demised Premises or any part thereof, nor suffer or permit the occupation of, or parting with or sharing possession, of all or any part of the Demised Premises by any person, or entity (collectively "Transfer"), without the prior written consent of the Landlord in each instance, which consent may be unreasonably withheld, despite any provision of this Lease or any statutory provision or other law to the contrary.
- (b) The consent by the Landlord to any Transfer, if granted, shall not constitute a waiver of the necessity for such consent to any subsequent Transfer. This prohibition against a Transfer is construed so as to include a prohibition against any Transfer by operation of law and no Transfer shall take place by reason of a failure by the Landlord to reply to a request by the Tenant for a consent to a Transfer.
- (c) Any document or consent evidencing such Transfer of this Lease if permitted or consented to by the Landlord shall be prepared by the Landlord or its solicitors, at the Landlord's option, and the Tenant shall pay the cost of such preparation in accordance with the City of Brampton Fees By-law, forthwith upon demand, or as Additional Rent, at the Landlord's option.
- (d) Any consent by the Landlord, at the discretion of the Landlord, may be subject to the Tenant causing any such Transferee to promptly execute an agreement directly with the Landlord agreeing to be bound by all of the terms, covenants and conditions contained in this Lease as if such Transferee had originally executed this Lease as tenant, or with amendments to such that shall be at the Landlord's discretion.

19.2 Landlord's Option: If the Tenant intends to effect a Transfer of all or any part of the Demised Premises or this Lease, in whole or in part, or any estate or interest hereunder, then and so often as such event shall occur, the Tenant shall give prior written notice to the Landlord of such intent, specifying therein the proposed Transferee and providing such information with respect thereto including, without limitation, information concerning the principals thereof and such credit, financial or business information relating to the proposed Transferee as the Landlord or the Mortgagee reasonably requires and the Landlord shall, within thirty (30) days after having received such notice and all such necessary information, notify the Tenant in writing either, that it consents or does not consent to the Transfer in accordance with the provisions and qualifications in this Article.

19.3 No Advertising for Transfer: The Tenant shall not print, publish, post, display, broadcast or otherwise advertise or offer for any of the aforesaid purposes, the whole or any part of the Demised Premises for purposes of Transfer, and shall not permit any broker or other third party to do any of the foregoing, unless the complete text and format of any such notice, advertisement, or offer is first approved in writing by the Landlord, such approval not to be unreasonably withheld or delayed. Any text and format proposed by the Tenant shall not contain any reference to the rental rate of the Demised Premises.

19.4 Concessions Franchises and Licences: The Tenant shall not permit any business to be operated in or from the Demised Premises by any concessionaire, franchisee, licensee or others without the prior written consent of the Landlord in each instance, which consent may not be unreasonably withheld. The consent by the Landlord to any concession, franchise or licence shall not constitute a waiver of the necessity for such consent to any subsequent concession, franchise or

licence, and shall be on the terms provided by the Landlord, including, but not limited to, that such concession, franchise or licence shall be subject to the terms, covenants and conditions contained in this Lease. Any conduct of a licensee, concessionaire or franchisee which is in breach of the provisions of this Lease, shall be deemed to be the conduct of the Tenant and the Tenant shall be deemed to be in breach of this Lease.

ARTICLE 20 DISPOSITIONS BY LANDLORD

20.1 Priority of Lease:

- (a) Upon request, the Tenant shall subordinate this Lease and all of its rights hereunder in such form as the Landlord requires to any and all underlying leases, mortgages, trust deeds or the charge or lien resulting from, or any instruments of, any financing, refinancing or collateral financing and to all advances made or hereafter to be made upon the security thereof, and if requested, the Tenant shall attorn to the holder thereof or to the then registered owner of the Building.
- (b) The Tenant shall, if possession is taken under, or any proceedings are brought for the foreclosure of, or in the event of the exercise of the power of sale under, any mortgage, charge, lease or sale and lease-back transaction, deed of trust or the lien resulting from any other method of financing, refinancing, collateral financing made by the Landlord or otherwise in existence against the Demised Premises or the Building, attorn to the Mortgagee, chargee, Tenant, trustee, other encumbrancer or the purchaser upon any such foreclosure or sale and recognize such mortgagee, chargee, Tenant, trustee, other encumbrancer or the purchaser as the Landlord under this Lease, provided however that any such mortgagee, chargee, Tenant, trustee, other encumbrancer or purchaser agrees in writing to be bound by the terms of this Lease.

20.2 Assignment by Landlord: The Landlord declares and the Tenant agrees that the Landlord may assign its rights under this Lease to any lender or lending institution as collateral security for a loan to the Landlord and in the event that such an assignment is given and executed by the Landlord and notification thereof is given to the Tenant by or on behalf of the Landlord, it is expressly agreed between the Landlord and the Tenant that this Lease shall not be cancelled or modified for any reason whatsoever except as provided for, anticipated or permitted by the terms of this Lease or by law, without consent in writing of such lending institution.

The Tenant covenants and agrees with the Landlord that it will, whenever reasonably required by the Landlord, consent to and become a party to any instrument relating to this Lease which may be required by or on behalf of any purchaser, bank or Mortgagee from time to time of the Demised Premises, provided always that the rights of the Tenant under this Lease shall not be not altered or varied in any way by the terms of such instrument or document. The Tenant shall from time to time at the request of the Landlord certify or acknowledge to any actual or proposed mortgagee, purchaser, Tenant or assignee the status and validity of this Lease and the state of the Landlord's and Tenant's account hereunder to the extent stipulated in Section 21.1 hereof.

20.3 The Tenant shall, upon the request of the Landlord or the mortgagee or any other person, firm or corporation having an interest in the Building, execute such instruments or certificates to carry out the intent of this Article 20 as are reasonably requested by the Landlord.

**ARTICLE 21
ESTOPPEL CERTIFICATIONS**

- 21.1 **Tenant's Estoppel Certificates**: The Tenant at any time and from time to time upon not less than forty-five (45) days' prior written notice, shall execute and deliver to the Landlord a statement in writing, which maybe reviewed and edited by the Tenant, certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the modification and that the same is in full force and effect as modified), the same amount of Rent then being paid under this Lease, the dates to which the same, by installment or otherwise, and the other sums provided in this Lease to be paid by the Tenant have been paid, and stating whether or not there is any existing default on the part of the Landlord of which the Tenant has notice, and the particulars and amount of insurance policies on the Demised Premises in which the Tenant's interest is noted.
- 21.2 **Landlord's Estoppel Certificates**: The Landlord at any time and from time to time upon not less than forty-five (45) days' prior notice shall execute and deliver to the Tenant a statement in writing, which may be reviewed and edited by the Landlord, 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 Rent then being paid under this Lease, the dates to which the same, by installment or otherwise and other sums provided in this Lease to be paid by the Tenant have been paid, and stating whether or not there are any existing defaults on the part of the Tenant of which the Landlord has notice, and the particulars and amount of insurance policies on the Demised Premises in which the Landlord's interest is noted.
- 21.3 **Effect of Estoppel Certificate**: Any statement delivered pursuant to the provisions of this Article shall be conclusive of the matters therein referred to.

**ARTICLE 22
NOTICES AND PAYMENTS**

- 22.1 **Notices**: Any notice, demand or request which any party shall give to any other party shall be in writing and shall be deemed to have been validly given if sent by fax transmission and then followed by regular mail delivery, or delivered personally at, or mailed by pre-paid first class mail to the address of such party as follows:

To the Tenant: 150 Central Park Drive
 Suite 105
 Brampton, On L6T 2T9

Attention: Elizabeth Chan

To the Landlord: 2 Wellington Street West
 Brampton ON L6Y 4R2

Attention: Manager, Realty Services

or to any such other address or fax numbers as any party may from time to time notify the other in writing. Any demand, notice or request given by personal delivery shall be conclusively deemed to have been received by the party to which it is addressed on the day of actually delivery thereof. If given by fax transmission, on the same day as the date of faxing provided that a fax

transmission report is generated and retained. In the case of a demand, notice or request addressed to more than one party, on the day upon which actual delivery thereof has been completed to all such parties. Any notice sent by prepaid first class mail as aforesaid shall be deemed to have been delivered on the fifth business day (excluding Saturdays, Sundays, and Statutory Holidays) following the date of mailing thereof provided that such postal services have not been interrupted, in which case notice shall only given by personal delivery or fax transmission as aforesaid.

It is agreed that any notice to be given by the Landlord may be by the Manager of Realty Services or the Legal Services Division of the Corporate Services Department, and need not be under the corporate seal of the City and any such notice, so signed, shall be conclusively deemed to express the will and corporate act of the Landlord as therein contained and no further evidence thereof or of any by-law or resolution need be given.

For greater clarity and notwithstanding any applicable legislation, electronic mail shall not be used for any demand, notice or request and shall not be considered proper notice under this Lease.

- 22.2 **Payments:** Until such time as the Tenant shall have received written notice to the contrary, all payments of Rent and other sums to be paid to the Landlord shall be paid to the Landlord at its address shown in this Lease.

ARTICLE 23 FORCE MAJEURE

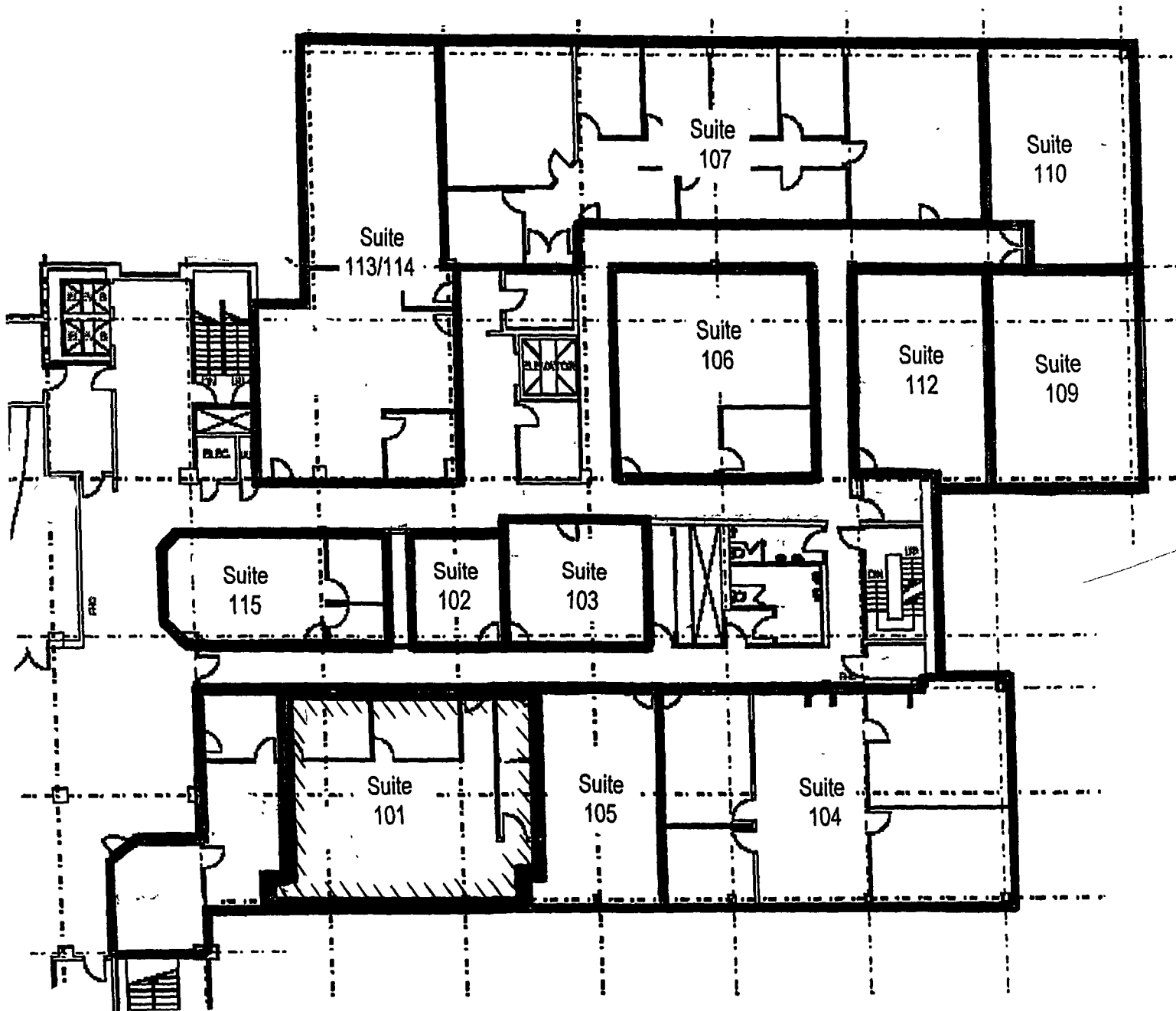
- 23.1 **Force Majeure:** Whenever, and to the extent that either party shall be unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligations under any provision of this Lease by reason of strike, lock-out, war or acts of military authority, terrorism, rebellion or civil commotion, fire or explosion, flood, wind, water, earthquake, act of God, or by reason of being unable to obtain the material, goods, equipment, services, utility or labor required to enable it to fulfill such obligation (provided all reasonable commercial efforts have been applied) or by reason of any statute, law or order-in-council or any regulation or order passed or made pursuant thereto or by reason of the order or direction of any administrator, controller or board, or any governmental department or officer or other authority or by reason of not being able to, with reasonable efforts, obtain permission or authority required thereby, or by reason of any other cause beyond its control, whether of the foregoing character or not, and not caused by its default or its act of commission or omission and not avoidable by the exercise of reasonable effort or foresight by it, the Landlord or Tenant shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the Tenant or Landlord shall not be entitled to compensation for any damage, inconvenience nuisance or discomfort thereby occasioned.
- 23.2 **Failure of Landlord to Deliver Possession:** Anything in this Lease to the contrary notwithstanding and in supplement to the provisions of Section 23.1 the Landlord shall not be deemed in default if the Landlord is unable to give possession of the Demised Premises on the Lease Commencement Date by reason of the fact that repairs, improvements, or decorations of the Demised Premises or of the Building are not completed or for any other reason (providing such cause is not due to the willful act or negligence of the Landlord). In such circumstances Rent shall not commence until possession of the Demised Premises is given to the Tenant or the Demised Premises is available for fixturing by the Tenant, and no such failure to give possession of the Demised Premises on the Lease Commencement Date shall in any way affect the validity of this Lease or the covenants, obligations and agreements of the Tenant under this Lease or the terms of conditions of this Lease.

ARTICLE 24
GENERAL

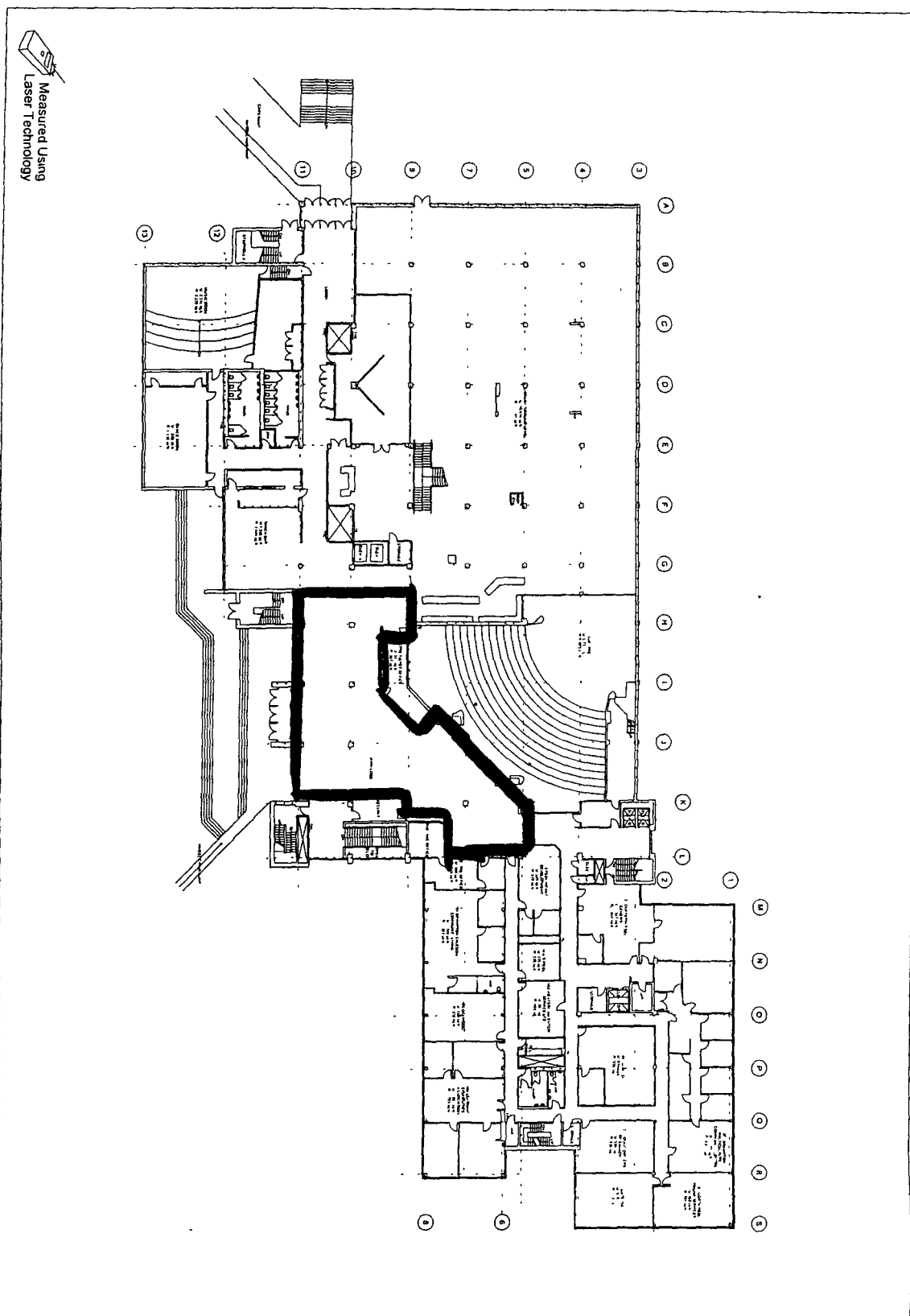
- 24.1 **Time of the Essence**: Time shall be of the essence of this Lease and of each of the provisions hereof.
- 24.2 **Quiet Enjoyment**: Provided that the Tenant pays the Rent and Additional Rent and other sums herein provided, and observes and performs all the terms, covenants and conditions on the Tenant's part to be observed and performed, the Tenant shall be entitled to peaceably and quietly hold and enjoy the Demised Premises for the Term hereby demised without hindrance or interruption by the Landlord, or any other person lawfully claiming by, through, or under the Landlord, subject, nevertheless, to the terms, covenants and conditions of this Lease.
- 24.3 **Accord and Satisfaction**: No payment by the Tenant or receipt by the Landlord of a lesser amount than the monthly payment of the Rent herein stipulated is deemed to be other than on account of the earliest stipulated Rent, nor is any endorsement or statement on any cheque or any letter accompanying any cheque or payment as Rent deemed an acknowledgement of the full payment or an accord and satisfaction, and the Landlord may accept and cash such cheque or payment without prejudice to the landlord's right to recover the balance of such Rent or pursue any other remedy provided in this Lease.
- 24.4 **Authorization**: The Landlord and the Tenant covenant that each of them has all requisite power and possesses all licences, franchises, permits, consents and other rights necessary to enable each of them to enter into this Lease. The Tenant covenants, represents and warrants that it is not a party to any agreement which would restrict, or covenant which would prevent or prohibit the Tenant from opening the Demised Premises for business and operating same throughout the Term for the purpose set out in Section 9.1.
- 24.5 **Planning Act**: This Lease is entered into subject to the express condition that it is to be effective only on obtaining such consents, if any, it may be required under Section 50 of the *Planning Act*, R.S.O., 1990, c. P13 or any successor legislation or other statute which may hereafter be passed to take the place of the said Act or to amend the same and provided that such consents are granted on conditions which are acceptable to the Landlord.
- 24.6 **No Partnership or Agency**: The Landlord does not in any way or for any purpose become a partner of the Tenant in the conduct of its business or otherwise or a member of a joint venture or joint enterprise with the Tenant. It is not intended that any agency be established between the Landlord and the Tenant.
- 24.7 **Amendments**: This Lease may not be amended or altered except by instrument in writing signed by the Landlord and the Tenant.
- 24.8 **Notice of Lease**: The Landlord shall have the right to register a notice of this Lease or any permitted assignment of this Lease or any permitted sublease against the title to the Demised Premises, or where the Demised Premises is not separately parcelized by the land registry office against title to the Building.
- 24.9 **Waivers**: No waiver or overlooking or condoning by either party of any breach by the other party of any of its covenants, obligations, or agreements under his Lease and none by either party of any term or condition of this Lease shall be a waiver to any subsequent breach or failure or of any other covenant, obligation, agreement, term or condition, nor shall any forbearance 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.

- 24.10 **Severability:** If any covenant, obligation, agreement, term or condition of this Lease or the application thereof to any person or circumstance shall, to any extent, be held invalid or unenforceable by a court of competent jurisdiction, the remainder of this Lease or the application of such covenant, obligation, agreement, term or condition to person or circumstances other than those to which it is held invalid or enforceable, shall not be affected thereby and each covenant, obligation, agreement, term and condition of this Lease shall be separately valid and enforceable to the fullest extent permitted by law.
- 24.11 **Headings and Notes:** The Article headings, and Section headings of this Lease have been inserted for convenience of reference only and do not form part of this Lease. They shall not be referred to in the interpretation of this Lease.
- 24.12 **Changes Required by Context:** This Lease shall be read with all changes of gender and number required by the context.
- 24.13 **Entire Agreement:** This Lease contains the entire agreement between the parties with respect to the subject matter of this Lease. There is no representation, warranty, collateral agreement or condition affecting the Building, the Demised Premises or this Lease, or supported by this Lease regarding the subject matter of this Lease other than as expressed in this Lease. The Schedules and appendices to this Lease form part of this Lease. The Tenant covenants and acknowledges that it has not executed this Lease by reason of any inducement, representation or warranty that any other person, firm or corporation shall be, shall become or shall remain as a tenant or occupant of the Building.
- 24.14 **Compliance with Laws:** The Tenant shall, at its own expense, comply with and conform to the requirements of every applicable lawful statute, law, by-law and ordinance, and the like.
- 24.15 **Applicable Law:** This Lease shall be construed in accordance with the laws of the Province of Ontario.
- 24.15 **Schedules:** Schedules "A" "B" "C" and "D" attached hereto shall form part of this Lease.
- Schedule A – Description and Sketch to Illustrate Demised Premises
Schedule B – Sketch to Illustrate Common Area
Schedule C- Rules and Regulations
Schedule D – Maintenance and Repair Obligations
- 24.17 **Recitals:** Each of the parties represents and warrants to each of the others that the recitals set out in this Lease are true and correct in substance and fact, as each such recital relates to each party, and are incorporated as an integral part of this Agreement.
- 24.18 **Binding:** All rights and liabilities herein granted to, or imposed upon the respective parties hereto, extend to and bind the successors and assigns of the Landlord and the heirs, executors, administrators, and permitted successors and assigns of the Tenant, as the case may be. If there is more than one Tenant, they are all bound jointly and severally by the terms, covenants and conditions herein. No rights, however, shall enure to the benefit of any assignee of the Tenant unless the assignment to such assignee has been approved by the Landlord in writing as provided in Article 19 hereof.
- 24.19 **Fire and Emergency Plan:** The Tenant and its clerks, servants and agents will at all times during the occupancy of the Premises be knowledgeable of the fire plan, said plan available from the Landlord's facility supervisor. The Tenant is responsible for obtaining a copy of the fire plan from the property office in suite 015 at the Civic Centre and showing to whomever it deems appropriate for the purposes of its Lease of the Demised Premises.

SCHEDULE "A"
DESCRIPTION AND SKETCH TO ILLUSTRATE
DEMISED PREMISES



SCHEDULE "B"
SKETCH TO ILLUSTRATE
COMMON AREA



SCHEDULE "C"
RULES AND REGULATIONS

1. The Tenant and its employees, suppliers, and other persons who are not customers having business with the Tenant, shall park their cars in accordance with the terms of this Lease.
2. The plumbing facilities shall not be used for any other purpose than that for which they are intended, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant.
3.
 - (1) The Tenant shall use at the cost of the Tenant such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require.
 - (2) The Tenant shall take all necessary measures to prevent odours emanating from the Demised Premises, which the Landlord determines are unacceptable. In the event that the Tenant fails to take such measures within the time required by the Landlord, or in the event that such unacceptable odours continue to emanate from the Demised Premises the Landlord, at the cost and expense of the Tenant, shall have the right to perform such remedial work as may be necessary to prevent the continuance of any such odours emanating from the Demised Premises.
4. The Tenant, its employees or agents, shall not mark, paint, drill or in any way deface any walls, ceilings, partitions, floors, wood, stone or iron in the Common Facilities without the written consent of the Landlord.
5. Except for the use of a microwave, coffee maker and toaster oven and as otherwise permitted in the Lease to which these rules and regulation are annexed, the Tenant shall not permit any other cooking activity in the Demised Premises without the written consent of the Landlord, such consent not to be unreasonably withheld or delayed.
6. No sidewalk, entry, passageway, loading dock or staircase shall be obstructed or used by the Tenant, its officers, agents, servants, employees, contractors, customer invitees or licensees for any purpose other than ingress to and egress from the Demised Premises.
7. The Tenant, its officers, agents, servants, employees, contractors, customers, invitees or licensees shall not bring in or take out, position, construct, install or move any safe or other heavy equipment or furniture without first obtaining the consent in writing of the Landlord. In giving such consent, the Landlord shall have the right, in its sole discretion, to prescribe the weight permitted and the position thereof, and the use and design of planks, skids or platforms to distribute the weight thereof. All damage done to the building by moving or using any such safe, heavy equipment or furniture shall be repaired at the expense of the Tenant. The moving of all equipment and furniture shall occur only during those hours when the Building shall not be open for business or any other time consented to by the Landlord and the persons employed to move the same in and out of the Demised Premises shall be acceptable to the Landlord.
8. All persons entering and leaving the Building at any time other than during normal business hours shall register in the books, if any, kept by the Landlord and the Landlord will have the right to prevent any person from entering or leaving such Building unless provided with a key to the premises to which such person seeks entrance or a pass in a form to be approved by the Landlord. Any persons without such key or passes will be subject to the surveillance of the employees and agents of the Landlord. The Landlord shall be under no responsibility for failure to enforce this rule.
9. The Tenant shall not place or cause to be placed any additional locks upon any doors of the Demised Premises without the approval of the Landlord and subject

to any conditions imposed by the Landlord, such approval not to be unreasonably withheld or delayed.

10. No one shall use the Demised Premises for sleeping apartments or residential purposes, or for the storage of personal effects or articles other than those required for the purposes permitted by the Lease to which these rules and regulations are annexed.
11. Any hand trucks, carryalls, or similar appliances used in the Building shall be equipped with rubber tires, side guards and such other safeguards as the Landlord shall require.
12. No animals or birds shall be brought into the Demised Premises except as permitted by the Lease to which these rules and regulations are annexed.
13. The Tenant shall securely bag all garbage and place same, along with recycling material for pick up in the container provided by the Landlord in a manner required by the Landlord.

SCHEDULE "D"
MAINTENANCE AND REPAIR OBLIGATIONS

Maintenance and Security Numbers for Corporate Properties:

Corporate Properties Maintenance - City Hall:	905-874-2133
Security - City Hall:	905-874-2111
Corporate Properties Maintenance - Civic Centre:	905-793-2511
Security - Civic Centre:	905-874-2929

COB - City of Brampton responsible for maintenance/repair and cost

Tenant - Tenant responsible for maintenance/repair and cost with City's Approval

CTC - City responsible for maintenance/repair at tenant's cost

Heating and Air Conditioning

i)	Preventive and Demand Maintenance of installed HVAC systems, including belt and filter replacements.	COB
ii)	Cleaning of ducts, when deemed necessary.	CTC
iii)	Repairs or replacement due to damage/neglect by occupants or operations.	CTC
iv)	Maintenance and repair of building automation controls.	COB
v)	Life cycle replacement due to fair wear and tear.	COB

Windows

i)	Breakage repair.	COB
ii)	Life cycle replacement of exterior windows due to fair wear and tear.	COB
iii)	Repairs or replacement except for any damage due to the act, omission or negligence by the tenant or occupant.	CTC
iv)	Repairs to interior windows.	Tenant
v)	Cleaning of exterior building windows.	COB
vi)	Cleaning of interior windows.	COB

Security Components

i)	Repair, replacement and re-keying of all locks for exterior doors.	COB
ii)	Repair, replacement and re-keying of all locks for interior doors.	CTC
iii)	Operation and maintenance of intrusion alarm system.	Tenant
iv)	Corporate Security services.	COB

Doors

i)	Repair of exterior doors.	COB
ii)	Life cycle replacement of exterior doors due to fair wear and tear.	COB
iii)	Repair or replacement of exterior doors due to damage/neglect by occupant or operations.	CTC
iv)	Repair or replacement of all interior doors.	Tenant

Plumbing

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|------|--|-----|
| i) | Preventive maintenance to hot water systems. | COB |
| ii) | Repairs to all faucets, unplugging toilets, and routine repairs to all fixtures. | COB |
| iii) | Life cycle replacement of fixtures due to fair wear and tear. | COB |
| iv) | Repairs or replacements due to damage/neglect by occupant or operations. | CTC |

Sprinkler System

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| i) | Preventive maintenance and repairs including annual inspection. | COB |
| ii) | Life cycle replacement due to fair wear and tear. | COB |
| iii) | Repairs or replacement due to age or fair wear and tear. | COB |
| iv) | Repairs or replacements due to damage/neglect by occupant or operations. | CTC |
| v) | Repairs to meet Ontario Fire Code due to tenant renovations. | CTC |

Lighting

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| i) | Inspection, maintenance and repair of emergency lighting and exit lighting. | COB |
| ii) | Maintenance and repair of all interior building lighting including bulb replacement. | COB |
| iii) | Life cycle replacement of interior fixtures due to fair wear and tear. | COB |
| iv) | Repair of existing exterior lights, including bulb replacement. | COB |
| v) | Life cycle replacement of exterior fixtures due to fair wear and tear. | COB |
| vi) | Cleaning of interior light fixtures. | COB |
| vii) | Installation and maintenance of additional lighting requested by the occupant. | CTC |

Flooring

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| i) | Repairs to flooring finishes including carpets, tiles, vinyl, or ceramic flooring. | COB |
| ii) | Installation and maintenance of additional floor coverings provided by the occupant. | CTC |

Electrical

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| i) | Repairs or replacement of existing building electrical service. | COB |
| ii) | Upgrades required by Code. | COB |
| iii) | Extensions, increases, or enhancements, to meet occupant's needs including future maintenance. | CTC |
| iv) | Repair or replacement of switches, receptacles or cover plates. | COB |
| v) | Electrical panel box and breaker maintenance. | COB |
| vi) | Repairs or replacements due to damage/neglect by occupant or operations. | CTC |

vii)	Repairs to meet Code due to tenant renovations.	CTC
<u>Fire Alarm System</u>		
i)	Annual inspection and preventive maintenance.	COB
ii)	Repairs due to normal wear and tear.	COB
iii)	Life cycle replacement of system due to fair wear and tear.	COB
iv)	Repairs and operating costs due to damage/neglect by occupant or operations.	CTC
v)	Repairs to meet Ontario Fire Code due to tenant renovations.	CTC
<u>Interior Decorations</u>		
i)	All interior painting.	Tenant
ii)	Provision, maintenance and cleaning of window applications including, but not limited to, blinds and curtains.	COB
iii)	Repairs to interior walls, ceilings, floors due to damage/neglect by occupant or operations.	Tenant
iv)	Repairs due to building structural failures such as roof leaks, weather walls and foundation leaks not caused by the occupant or operations.	COB
v)	Provision, installation, and maintenance of interior and exterior signs.	COB
vi)	Installation and maintenance of interior structures such as office walls, partitions, shelving, and cabinets.	Tenant
<u>Major Structural Systems</u>		
i)	Repairs or replacements of exterior wall assemblies including weather walls, sub-floors, roofs, bearing walls, and structural columns and beams.	COB
ii)	Repairs and painting of exterior surfaces including windows, trim, fascia and soffits.	COB
<u>Equipment and Furnishings</u>		
i)	Provision and maintenance of all furnishings and appliances incl refrigeration, chairs and desks.	Tenant
ii)	Provision and maintenance of telephone and other communication equipment.	Tenant
<u>Site Services</u>		
i)	Landscaping repairs and maintenance.	COB
ii)	Grass cutting.	COB
iii)	General cleaning of grounds, litter disposal within the area.	COB
iv)	Snow and ice removal from steps, walkways, entrances.	COB
v)	Removal of snow from parking areas.	COB
vi)	Provision of de-icing materials.	COB
vii)	Application of de-icing materials.	COB

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| viii) | Repairs to water and sewage systems. | COB |
| ix) | Maintenance and repair of paved parking areas. | COB |
| x) | Repairs to sidewalks. | COB |

Janitorial Services

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| i) | Provision of routine janitorial services. | COB |
| ii) | Provision of washroom and cleaning supplies. | COB |
| iii) | Garbage and waste disposal. | COB |
| iv) | Pest control services. | COB |

*All items listed under the Maintenance and Repair Obligations are to be used as a guideline, the lease agreement will supersede any discrepancies.

**While the tenant may be responsible for items listed in the Maintenance and Repair Obligations, all work must still have the prior written approval of the Property Supervisor or their designate.