

CORPORATION OF THE MUNICIPALITY OF NORTH GRENVILLE

Landlord

- and -

[insert]

Tenant

- and -

[insert]

Indemnifier

L E A S E

[insert address of Leased Premises]

KEMPTVILLE CAMPUS EDUCATION AND COMMUNITY CENTRE

DRAFT

LEASE SUMMARY

In the event of a conflict between any of the terms and conditions contained in this Lease Summary and the detailed terms and conditions contained in this Lease, the terms and conditions contained in this Lease Summary shall govern.

Location of Premises:	Unit [●], [●] floor, located at [●]	Section 1.1(f)
Gross Rentable Area of the Premises:	Subject to Section 3.2 of this Lease, [●] square feet	Section 1.1(jj)
Term:	[●] ([●]) years	Section 3.4
Possession Date:	[●]	Section 20.3
Fixturing Period:	[●]	Section 20.3
Commencement Date:	[●]	Section 1.1(n)
Extension Options:	[●] ([●]) options of [●] ([●]) years each	Section 20.1
Basic Rent:	<p>Subject to Section 3.2 of this Lease:</p> <p>From [●] to [●], \$[●] per annum based on \$[●] per square foot of Gross Rentable Area of the Premises</p> <p>From [●] to [●], \$[●] per annum based on \$[●] per square foot of Gross Rentable Area of the Premises</p>	Section 4.1
Select Additional Rent Estimates	<p>Subject to Section 4.3 and SCHEDULE B of the Lease:</p> <p>The Landlord estimates the Tenant's Proportionate Share of the Operating Costs-Shared Facilities for the year 202[●] to be \$[●] per annum, and \$[●] per month.</p> <p>Subject to Section 6.9 of the Lease:</p> <p>The Landlord estimates the Tenant's Proportionate Share of the Campus Information Technology Infrastructure Fee for the year 202[●] to be \$[●] per annum, and \$[●] per month.</p>	

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DRAFT

THIS LEASE made as of the [●] day of [●], [●].

B E T W E E N:

CORPORATION OF THE MUNICIPALITY OF NORTH GRENVILLE

(hereinafter collectively called the “**Landlord**”)

THE PARTY OF THE FIRST PART

- and -

[insert]

(hereinafter called the “**Tenant**”)

THE PARTY OF THE SECOND PART

- and -

[insert]

(hereinafter called the “**Indemnifier**”)

WHEREAS the Landlord is the owner of the Lands (as defined herein);

AND WHEREAS the Tenant has indicated its interest to lease the Premises from the Landlord;

NOW THEREFORE in consideration of the promises and the mutual covenants, agreements and conditions herein contained, it is hereby covenanted, agreed and declared between the parties as follows:

**ARTICLE 1
DEFINITIONS**

1.1 Definitions

The terms defined herein shall have, for all purposes of this Lease and all instruments supplemental hereto, the following meanings unless the context expressly or by necessary implication otherwise requires:

- (a) “Additional Rent” means all sums of money, other than Basic Rent, which are required to be paid by the Tenant pursuant to any provision of this Lease.
- (b) “Additional Service” means any service identified as such in this Lease or which is requested by the Tenant in addition to those supplied by the Landlord as part of the normal Development service and which the Landlord is prepared to supply at an additional cost to the Tenant.
- (c) “Additional Service Cost” means the additional amount identified as such in this Lease or payable by the Tenant to the Landlord for any Additional Service.
- (d) “Applicable Laws” means all statutes, laws, by-laws, regulations, ordinances, orders and requirements of governmental or other public authorities having jurisdiction in force from time to time.
- (e) “Basic Rent” means the rent payable by the Tenant pursuant to Section 4.1.
- (f) “[●] Building” means the building containing the Premises, located on the Lands, and municipally known as [●].
- (g) “Building Standard” means the building standard established by the Landlord including matters of design, construction and/or installation to be observed by the tenants in the [●]

Building, including the Tenant, in connection with Leasehold Improvements, tenant fixtures and chattels, as such standards may be amended from time to time by the Landlord, acting reasonably.

- (h) “Building System(s)” means at any time: (i) all heating, ventilating and air-conditioning and other climate control systems and other systems, services, installations and facilities installed in or servicing the [●] Building including, without limitation, the following systems, services, installations and facilities: elevators and escalators, mechanical (including HVAC System(s)), plumbing, sprinkler, drainage and sewage, electrical and other utilities, lighting, sprinkler, life safety (including fire prevention, communications, security and surveillance), computer (including environmental, security and lighting control), ice and snow melting, refuse removal, window washing and music; (ii) all machinery, appliances, equipment, apparatus, components, computer software and appurtenances forming part of or used for or in connection with any of such systems, services, installations and facilities including, but not limited to, boilers, motors, generators, fans, pumps, pipes, conduits, ducts, valves, wiring, meters and controls, and the structures and shafts housing and enclosing any of them; and (iii) all Landlord owned or controlled telecommunications facilities, pathways, installations and equipment.
- (i) “Campus Buildings” means the [●] Building and any further or additional buildings, and other improvements constructed at any time on the Lands or any lands appurtenant or adjacent thereto and forming part of the Development.
- (j) “Business Day” means any day which is not a Saturday, Sunday or a statutory holiday.
- (k) “Business Hours” means the period from 7:00 a.m. to 6:00 p.m. on any Business Day.
- (l) “Capital Tax” means any tax or excise levied, assessed or imposed by any municipal, regional, state, provincial, federal, parliamentary or other body, corporation, authority, agency or commission computed by reference, in whole or in part, to (A) the paid-up capital or debt or place of business of the Landlord, the owners of the Development, or all of them, as determined for the purposes of such tax or (B) the taxable capital employed in Canada by the Landlord, the owners of the Development, or all of them, which the Landlord, acting reasonably, determines, without duplication, is attributable to the capital which is invested from time to time by the Landlord, the owners or all of them in doing any act or thing which can reasonably be associated with the Development, including but not limited to any of the following: acquiring, developing, expanding, redeveloping, leasing and improving the Development. For greater certainty, Capital Tax includes federal large corporations tax and provincial capital tax.
- (m) “Change of Control” means, in the case of any corporation or partnership, the transfer or issue by sale, assignment, subscription, transmission on death, mortgage, charge, security interest, operation of law or otherwise, of any shares, voting rights or interest which would result in any change in the effective control of such corporation or partnership, unless such change occurs as a result of trading in the shares of a public corporation listed on a recognized stock exchange in Canada or the United States.
- (n) “Commencement Date” means [●]
- (o) “Common Areas” means those areas, facilities, utilities, improvements, equipment and installations in the Development which serve the Development including, without limitation, the landscaped areas, sidewalks, public entrance doors, service entrance doors, halls, public lobbies, non-exclusive public seating/eating/patio areas, lavatories, stairways, passageways, elevators, service ramps and common loading and receiving facilities, common waste/recycling facilities, common signage, bicycle racks and Common Use Equipment, and which are provided from time to time by the Landlord for the common use and enjoyment of the tenants in the Development, including the Tenant, and their agents, invitees, servants, employees and licensees, or for use by the public, but excluding rentable premises in the Development and other portions of the Development which are from time to time designated by the Landlord for private use by one or a limited group of tenants.
- (p) “Common Use Equipment” means all mechanical, plumbing, electrical, fire and life safety and HVAC equipment, pipes, ducts, wiring, machinery and equipment and other integral

services, utility connections and the like providing services to and within the Development other than the Building Systems.

- (q) “Deposit” has the meaning set out in Section 20.7.
- (r) “Development” means the Lands and the Campus Buildings thereon from time to time operated by the Landlord as an Education and Community Centre.
- (s) “Environmental Laws” means all existing and future federal, provincial and municipal laws, regulations, by-laws, ordinances, notices, orders and rules, including, without limitation, a judgement, order or decision of any court, tribunal or body having jurisdiction, relating to the environment, occupational health and safety management conditions, materials or substances detrimental to human health, pollution or protection of the environment.
- (t) “Event of Default” has the meaning set out in Section 15.1.
- (u) “Expert” means any architect, designer, engineer, land surveyor, accountant or other professional consultant appointed by the Landlord who, in the opinion of the Landlord, is qualified to perform the function for which he or she is retained.
- (v) “Gross Rentable Area” means the number of square feet of floor area determined by the Landlord’s Expert.
- (w) “Hazardous Substances” means any substance, including any contaminant or waste material, as defined in and/or regulated by or under any Environment Laws.
- (x) “HVAC System(s)” means the heating, ventilating and, if installed in the [●] Building, air-conditioning system in or serving the [●] Building which is composed of all heating, ventilating and air-conditioning equipment and facilities provided by the Landlord and includes from time to time, but is not limited to, any roof-top, ceiling or wall-mounted, or window heating, ventilating or air-conditioning units installed or provided by the Landlord, the fuel and power facilities of the systems, and distribution piping, air-handling units and common fan coil and ventilation units which form part of the system and monitoring, energy saving and control systems including the thermostat in each of the individual units supplied by the HVAC System and those ventilation systems which serve more than one tenant, but does not include the Tenant HVAC System or any HVAC system (or any part thereof) installed by or on behalf of other tenants or occupants of the Development in addition to the HVAC System(s).
- (y) “Insured Damage” means that part of any damage occurring to the Development, including the Premises, of which the entire cost of repair (except as to any deductible amount provided for in the applicable policy or policies of insurance) is actually recovered by the Landlord under a policy or policies of insurance from time to time effected by the Landlord pursuant hereto or which would have been recovered if the Landlord complied with its obligations under Section 10.1 hereof.
- (z) “Lands” means the lands known as the Kemptville Campus and described in Schedule A attached hereto, as they may be constituted or determined by the Landlord at any time or from time to time.
- (aa) “Lease” means this Lease including any Schedules, as amended from time to time pursuant hereto.
- (bb) “Leasehold Improvements” means all items generally considered as leasehold improvements, within the Premises including, without limitation, all fixtures, equipment, improvements, installations, alterations and additions from time to time made, erected or installed by or on behalf of the Tenant, or any previous occupant of the Premises, in the Premises and by or on behalf of other tenants in other premises in the [●] Building, including without limitation, mezzanines, internal stairways, doors, hardware, vaults, partitions (excluding moveable partitions), lighting fixtures, non-Building Standard window coverings and wall-to-wall carpeting (excluding carpeting laid over a finished floor and removable without damage to such floor); but excluding trade fixtures, furniture, unattached or free standing partitions and equipment not of the nature of fixtures.

- (cc) “Mortgage” means any mortgage, charge or security instrument (including a deed of trust or mortgage securing bonds) and all extensions, renewals, modifications, consolidations and replacements of any such item which may now or hereafter affect the Development.
- (dd) “Mortgagee” means the mortgagee, chargee or other secured party (including a trustee for bondholders), as the case may be, who from time to time holds a Mortgage.
- (ee) “Operating Costs” or “Operating Costs-Shared Facilities” means operating costs as defined in Schedule B attached hereto.
- (ff) “Parking Facilities” means those portions of the Development which are designated from time to time by the Landlord for parking purposes as the same may from time to time be altered, expanded or reconstructed.
- (gg) “Parking Rules” has the meaning set out in Section 18.1(d).
- (hh) “Permitted Use” has the meaning set out in Section 7.1(a).
- (ii) “Person(s)” means if the context allows, includes any person, firm, partnership or corporation, or any group of persons, firms, partnerships or corporations or any combination of them.
- (jj) “Premises” means the premises located within the [●] Building which Premises are shown [cross-hatched] on Schedule D attached hereto, the Gross Rentable Area of which is [approximately] [●] square feet.
- (kk) “Property Taxes” means the aggregate of all taxes, rates, duties, levies, fees, charges (including local improvement charges) and assessments whatsoever, imposed, assessed, levied, confirmed, rated or charged against or in respect of the Development or any part of the Development or any fixtures, equipment or improvements thereto from time to time by any lawful taxing or assessing authority, whether school, municipal, regional, provincial, federal, parliamentary, parking, utilities or otherwise, including extraordinary and special assessments, and any taxes or other amounts which are imposed in lieu of, or in addition to, any of the foregoing whether or not in existence on the Commencement Date and whether of the foregoing character or not, or against Landlord in respect of any of the same or in respect of any rental or other compensation receivable by Landlord and/or the owners of the Development in respect of the same, and any taxes on real property rents or receipts of such (as opposed to a tax on such rents as part of the income of Landlord), any taxes based, in whole or in part, upon the value of the Development, any commercial concentration or similar levy in respect of the Development excluding, for greater certainty:
- (i) income or profit taxes upon the income of the Landlord to the extent such taxes are not levied specifically in substitution or in lieu of any of the foregoing;
 - (ii) business or similar taxes or licence fees in respect of the business of the Landlord which pertains to the management, operation and maintenance of the Development (which form part of Operating Costs);
 - (iii) business or similar taxes or licence fees in respect of any business carried on by tenants and occupants (including the Tenant) of the Development; and
 - (iv) Capital Tax (which form part of Operating Costs).
- (ll) “Proportionate Share” means a fraction having as its numerator the Gross Rentable Area of the Premises and as its denominator the Gross Rentable Area of the Campus Buildings.
- (mm) “Rate of Interest” means the annual rate of interest announced from time to time by the Canadian Imperial Bank of Commerce (as the reference rate of interest then in effect for loans to customers of varying degrees of credit-worthiness plus three percent (3%), adjusted from time to time to reflect changes in such rate).
- (nn) “Relocated Premises” has the meaning set out in Section 16.1.
- (oo) “Rent” means Basic Rent and Additional Rent.

- (pp) “Rules and Regulations” has the meaning set out in Section 7.6.
- (qq) “Sales Taxes” means all business transfer, multi-stage sales, sales, use, consumption, value-added or other similar taxes imposed by the Government of Canada or any provincial or local government upon the Landlord, or the Tenant in respect of this Lease, or the payments made by the Tenant hereunder or the goods and services provided by the Landlord hereunder including, without limitation, the rental of the Premises and the provision of administrative services to the Tenant hereunder.
- (rr) “Security Deposit” has the meaning set out in Section 20.7.
- (ss) “Structural Components” means the structural components of the [●] Building, namely, the foundations, footings, joists, bearing walls, subfloor, roof (excluding the roof membrane), and structural columns and beams of the [●] Building.
- (tt) “Tenant HVAC System(s)” means any additional heating, ventilating and air-conditioning equipment and facilities (or any part thereof) whether inside or outside the Premises, but exclusively serving the Premises, which are constructed or installed by or on behalf of the Tenant for the Premises in addition to the HVAC System(s), including, without limitation, any roof-top, ceiling or wall-mounted, or window heating, ventilating or air-conditioning units, the fuel and power facilities of the systems, and distribution piping, air-handling units and common fan coil and ventilation units which form part of the system and monitoring, energy saving and control systems including the thermostat in each of the individual units.
- (uu) “Tenant’s Property” means the trade fixtures, furniture, equipment and other personal property and related wiring, cabling, fixtures and fittings of the Tenant and of the Tenant’s employees, agents, contractors, invitees and licensees, and any other Persons over whom the Tenant may reasonably be expected to exercise control, and such other Persons for whom the Tenant is responsible at law.
- (vv) “Tenant’s Taxes” means the aggregate of:
- (i) all taxes imposed upon the Tenant which are attributable to the personal property, furnishings, fixtures and Leasehold Improvements installed in the Premises; and
 - (ii) all taxes imposed upon the Tenant which are attributable to the business, income or occupancy of the Tenant or any other occupant of the Premises and to the use of any of the Common Areas by the Tenant or other occupant of the Premises.
- (ww) “Tenant’s Work” means the work completed for the Tenant and identified in Schedule H.
- (xx) “Term” means the term of this Lease as specified in Section 3.4, and includes any extensions or renewals thereof, if any.
- (yy) “Transfer” means all or any of the following, whether by conveyance, written agreement or otherwise: (i) an assignment of this Lease in whole or in part; (ii) a sublease of all or any part of the Premises; (iii) the sharing or transfer of any right of use or occupancy of all or any part of the Premises; (iv) any mortgage, charge or encumbrance of this Lease or the Premises or any part of the Premises or other arrangement under which either this Lease or the Premises become security for any indebtedness or other obligation; and (v) a Change of Control, and includes any transaction or occurrence whatsoever (including, but not limited to, expropriation, receivership proceedings, seizure by legal process and transfer by operation of law), which has changed or might change the identity of the Person having use or occupancy of any part of the Premises.
- (zz) “Transferee” means the Person to whom a Transfer is made or is to be made.
- (aaa) “Unavoidable Delay” has the meaning set out in Section 13.1.
- (bbb) “Work” has the meaning set out in Section 8.1.

ARTICLE 2 GENERAL COVENANTS

2.1 Tenant's Covenants

The Tenant covenants with the Landlord:

- (a) to pay Rent; and
- (b) to observe and perform all the covenants and obligations of the Tenant herein.

2.2 Quiet Enjoyment

The Landlord covenants with the Tenant that, provided the Tenant pays the Rent herein reserved, fully performs the covenants in this Lease to be performed by the Tenant, and there has been no Event of Default, the Tenant shall, during the Term, have the right, at all times, to the quiet and peaceable enjoyment of the Premises, in conformity with all the provisions of this Lease.

ARTICLE 3 DEMISE AND TERM

3.1 Demise of Premises

The Landlord hereby demises and leases unto the Tenant, and the Tenant hereby leases from the Landlord, the Premises for the Term (unless terminated earlier in accordance with the Lease) and subject to the provisions of this Lease.

The Tenant acknowledges that it has carefully examined the Premises and hereby declares that it is accepting the Premises in their present state of repair and condition on an "as is, where is" basis, subject only to the Landlord's Work identified in Schedule "I".

3.2 Premises Measurement

[NTD: To be discussed]

The Landlord shall cause the Premises to be measured by an Expert, and shall provide to the Tenant the Expert's certificate of such measurement prior to or shortly after the Commencement Date. Any such measurement shall be final and binding on the Landlord and the Tenant subject to the Landlord's right from time to time to cause the Rentable Area of the Premises and/or the [●] Building or any part thereof to be re-measured by an Expert as set out above. Neither the Landlord nor the Tenant may claim any adjustment to the annual Basic Rent or to the calculation of Additional Rent based on the Rentable Area of the Premises except in accordance with a measurement by an Expert made pursuant to this Section. Notwithstanding anything herein contained to the contrary, the Landlord may, from time to time, at its option, cause the Rentable Area of the Premises and/or the [●] Building or any part thereof to be measured by an Expert and, if necessary as a result of such measurement, the annual Basic Rent and the calculation of Additional Rent shall be adjusted by the Landlord. The effective date of any such adjustment shall be: (a) in the case of any measurement made prior to or within six (6) months of the Commencement Date, the date the Tenant is allowed possession of the Premises under this Lease; and (b) in all other cases, on the first (1st) day of the month following the month in which the Landlord's architect delivers a certificate to the Landlord and Tenant certifying the amended measurements.

3.3 License Over Certain Common Areas

The Landlord hereby grants to the Tenant, its agents, employees, invitees and other Persons transacting business with it, in common with all others entitled thereto, a non-exclusive license to use the Common Areas which provide access to the Premises or which are generally made available to all of the Landlord's tenants in the Campus Buildings, provided, however, that such use shall be subject to all other provisions contained in this Lease and to the Landlord's rules and regulations referred to in Section 7.6.

3.4 Term

TO HAVE AND TO HOLD the Premises for and during the Term of [●] ([●]) years commencing on the Commencement Date as it may be renewed or extended pursuant to this Lease or otherwise by agreement between the Landlord and the Tenant.

3.5 Overholding

The Tenant has no right to remain in possession of the Premises after the end of the Term. If the Tenant occupies any part of the Premises after the expiration or sooner termination of the Term with the consent of the Landlord but without entering into a new lease or other agreement then, notwithstanding any statutory provisions, legal presumption or reasonableness requirement to the contrary, there shall be no tacit renewal of this Lease or the Term and the Tenant shall be deemed to be occupying the Premises as a tenant from month to month at a monthly basic rent payable in advance and equal to two hundred percent (200%) of the monthly Basic Rent payable immediately prior to the overholding plus additional rent equivalent to Additional Rent hereunder and otherwise on the same terms as herein contained, except for any right of renewal or extension if any; and such tenancy may be terminated by either the Landlord or the Tenant on thirty (30) days' notice to the other whether or not the date of termination is at the end of a rental period. Nothing herein shall limit the liability of the Tenant in damages or otherwise.

3.6 Leasehold Improvements

- (a) All Leasehold Improvements shall immediately upon their placement become the Landlord's property without compensation to the Tenant. Subject to Sections 3.6(b) and 3.6(c), upon the termination of this Lease, all Leasehold Improvements in the Premises shall remain upon and be surrendered with the Premises as a part thereof without disturbance, molestation or injury to them and any trade fixtures not removed by the Tenant by the expiration or sooner termination of this Lease shall be the property of the Landlord absolutely, free of any liens or encumbrances and without payment therefor to the Tenant.
- (b) The Landlord may, by notice to the Tenant prior to or promptly after the termination of this Lease, require the removal, at the expense of the Tenant, of any or all of the Leasehold Improvements and require the Tenant to restore the Premises, and any other part of the Development affected thereby, to the condition in which they existed prior to the installation and removal of the foregoing and to repair forthwith of any damage to the Premises or the Development caused by such removal, such work to be done forthwith by or at the direction of the Landlord and at the expense of the Tenant. Such removal and repair shall be completed if reasonably possible by the date of termination of this Lease and otherwise promptly thereafter. If the Tenant does not remove the Leasehold Improvements prior to the expiry or earlier termination of the Term, the Landlord shall have the right to do so and the Tenant shall pay to the Landlord on demand, as Additional Rent, all costs incurred by the Landlord in connection therewith, plus an administration fee of fifteen percent (15%) of the costs.
- (c) Notwithstanding anything herein contained, provided the Tenant has paid the Rent hereby reserved and performed and observed all the covenants and conditions herein contained, the Tenant shall have, at the termination of this Lease, the right to remove the Tenant's Property provided that the Tenant repairs promptly following such removal, at its own expense, any damage to the Premises or the Development caused by such removal, such work to be done by or at the direction of the Landlord and at the expense of the Tenant. If the Tenant does not remove the Tenant's Property prior to the expiry or earlier termination of the Term, such Tenant's Property shall, at the option of the Landlord, be deemed abandoned and become the property of the Landlord and may be removed from the Premises and sold or disposed of by the Landlord in such manner as it deems advisable and the Tenant shall pay to the Landlord on demand, as Additional Rent, all costs incurred by the Landlord in connection therewith, plus an administration fee of fifteen percent (15%) of the costs.

ARTICLE 4 RENT

4.1 Basic Rent

Subject to re-measurement, the Tenant shall pay to the Landlord, by equal consecutive monthly instalments in advance on the first (1st) day of each month, without any set-off, compensation or deduction whatsoever, Basic Rent in Canadian dollars as follows:

- (a) from the Commencement Date to [●], the amount of \$[●] plus HST per square foot of the Gross Rentable Area of the Premises, being the amount of \$[●] plus HST per annum, payable in advance in equal consecutive monthly instalments of \$[●] plus HST; and
- (b) from [●] to [●], the amount of \$[●] plus HST per square foot of the Gross Rentable Area of the Premises, being the amount of \$[●] plus HST per annum, payable in advance in equal consecutive monthly instalments of \$[●] plus HST.

All payments required to be made by the Tenant pursuant to this Lease shall be paid when due, without prior demand at the address of the Landlord set out in Section 19.11(a) or at such other place as the Landlord may designate from time to time to the Tenant. At the Landlord's request, the Tenant shall make all payments under this Lease by way of post-dated cheques, automatic withdrawals or electronic funds transfer from the Tenant's bank account and shall execute and deliver either concurrently with this Lease or from time to time within three (3) Business Days following request for it, such documentation as may be required by the Landlord and its bank in order to effect such payments.

4.2 Additional Rent

The Tenant shall pay to the Landlord during the Term as Additional Rent:

- (a) that portion of Property Taxes payable by the Tenant pursuant to Section 5.3;
- (b) the Tenant's Proportionate Share of Operating Costs pursuant to Section 6.1;
- (c) all Additional Service Costs payable by the Tenant;
- (d) out of pocket costs of the Landlord arising from or related to any default of the Tenant under this Lease, costs of enforcement of the Lease and all costs incurred by the Landlord as a result of any act or omission of the Tenant, its employees, agents, invitees or anyone for whom it is at law responsible;
- (e) the Tenant's Proportionate Share of the Campus Information Technology Infrastructure Fee, as more particularly set out at Section 6.9; and
- (f) where applicable, all other amounts payable by the Tenant pursuant to this Lease.

4.3 Payment of Additional Rent

The Additional Rent specified in Sections 4.2(a) and (b) shall be paid and adjusted with reference to a fiscal period of twelve (12) calendar months, which shall be the twelve (12) month period ending on December 31st in each year during the Term unless the Landlord, by notice to the Tenant, shall from time to time have selected a fiscal period which ends on a different date (but which shall be a twelve (12) month period except where a shorter broken fiscal period occurs at the commencement or end of the Term or is necessary to accommodate a change in the fiscal period made during the Term). From time to time throughout the Term, the Landlord shall give notice to the Tenant of the Landlord's estimate of such Additional Rent to be paid by the Tenant during the next ensuing fiscal period. Each estimate shall be reasonable. Such Additional Rent payable by the Tenant shall be paid in equal monthly instalments in advance at the same time as payment of Basic Rent is due hereunder and shall be based on the Landlord's estimate as aforesaid. From time to time the Landlord may re-estimate, on a reasonable basis, the amount of such Additional Rent for any fiscal period in which case the Landlord shall give notice to the Tenant of such re-estimate and fix new equal monthly instalments for the remaining balance of such fiscal period so that, after giving credit for the instalments paid by the Tenant on the basis of the previous estimate or estimates, all the Additional Rent as estimated or re estimated will have been paid during such fiscal period.

All Additional Service Costs and amounts payable to the Landlord pursuant to Sections 4.2(c) and (f) shall be paid by the Tenant within five (5) days after receipt by it from time to time of invoices from the Landlord specifying the amounts thereof.

4.4 Adjustment of Additional Rent

Within one hundred and twenty (120) days after the end of each fiscal period referred to in Section 4.3, the Landlord shall deliver to the Tenant a statement (which statement shall be binding on the Landlord and the Tenant) as to the actual Additional Rent payable to the Landlord pursuant to Sections 4.2(a), (b) and (f) in respect of such fiscal period and a calculation of the amount by which such Additional Rent payable by the Tenant varies from the aggregate instalments paid by the Tenant on account of such Additional Rent for such fiscal period. Within thirty (30) days after the receipt of such statement, either the Tenant shall pay to the Landlord any amount by which the amount found payable by the Tenant with respect to such fiscal period exceeds the aggregate of the monthly payments made by it on account thereof or the Landlord shall pay to the Tenant any amount by which the amount found payable as aforesaid is less than the aggregate of such monthly payments. The rights and obligations under this Section shall survive the expiration or earlier termination of this Lease.

4.5 Apportionment of Rent

Rent shall be considered as accruing from day to day hereunder. If it is necessary to calculate Rent for a period of less than one (1) year or less than one (1) calendar month, an appropriate apportionment and adjustment on a pro rata daily basis shall be made determined on the basis of a three hundred and sixty five (365) days year. Where the calculation of Additional Rent cannot be made until after the expiration or earlier termination of this Lease, the obligation of the Tenant to pay such Additional Rent shall survive the expiration or earlier termination hereof, and such amount shall be paid by the Tenant to the Landlord forthwith upon demand. If the Term commences on any day other than the first (1st) day of the month, Rent for such fraction of a month shall be adjusted, as aforesaid, and paid by the Tenant on the Commencement Date of the Term.

4.6 No Right of Set off

The Tenant expressly waives the benefits of Section 35 of the *Commercial Tenancies Act*, R.S.O 1990, Chapter L-7 and any amendments thereto and any present or future enactment of the Province of Ontario permitting the Tenant to claim a set off against Rent for any cause whatsoever.

4.7 All Payments Deemed Rent

All payments required to be made by the Tenant pursuant to this Lease, except for Sales Taxes, shall be deemed to be Rent and shall be payable and recoverable as Rent, and the Landlord shall have all rights against the Tenant for default in any such payment as in the case of arrears of Rent. The amount payable by the Tenant on account of Sales Taxes shall be deemed not to be Rent for the purpose of such calculation but in the event of a failure by the Tenant to pay any amount, the Landlord shall have the same rights and remedies as it has in the event of a failure by the Tenant to pay Rent.

4.8 Interest on Arrears

If the Tenant fails to pay Rent when due, the Tenant shall pay interest on the unpaid amount at the Rate of Interest from the date due until the date paid, without prejudice to and in addition to any other remedy available to the Landlord under this Lease or at law.

4.9 Net Lease to Landlord

The Tenant acknowledges and agrees that it is intended that this Lease shall be a completely carefree net lease for the Landlord and that the Landlord shall not be responsible for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Premises during the Term, whether foreseen or unforeseen and whether or not within the contemplation of the parties at the commencement of the Term, except as shall be otherwise expressly provided in this Lease. Any obligation which is not stated to be that of the Landlord shall be deemed to be that of the Tenant.

ARTICLE 5 TAXES

5.1 Property Taxes

The Development is subject to Property Taxes, and the Landlord shall pay when due all Property Taxes to the taxing authority or authorities having jurisdiction.

5.2 Tenant's Taxes and Sales Taxes

- (a) The Tenant shall promptly pay before delinquency to the taxing authorities or to the Landlord, if it so directs, as Additional Rent, any taxes, rates, duties, levies and assessments whatsoever, whether municipal, provincial, federal or otherwise, levied, imposed or assessed against or in respect of the operations at, occupancy of, or conduct of business in or from the Premises by the Tenant or any other permitted occupant, including the Tenant's Taxes, if levied. Whenever requested by the Landlord, the Tenant shall deliver to the Landlord copies of receipts for payment of all such taxes and furnish such other information in connection therewith as the Landlord may reasonably require.
- (b) The Tenant shall pay to the Landlord when due all Sales Taxes imposed on the Landlord.

5.3 Tenant's Contribution to Property Taxes

- (a) The Tenant shall, in respect of each calendar year included in whole or in part within the Term, pay to the Landlord an amount to cover the Property Taxes that are attributable to the Premises for such calendar year, as determined by the Landlord having regard to such criteria as the Landlord, in its sole discretion, may determine reasonably, from time to time. If there are separate assessments (or, in lieu thereof, calculations made by authorities having jurisdiction from which separate assessments may, in the Landlord's opinion, be readily determined) for the Premises for tax purposes, the Landlord shall have regard thereto for purposes of determining the amount payable by the Tenant pursuant to this Section 5.3(a). The Tenant shall provide the Landlord with a copy of any separate notices of assessment for the Premises which the Tenant has received. If there is no separate assessment for the Premises or separate calculation made by authorities having jurisdiction from which separate assessments may, in the Landlord's opinion, be readily determined, the Tenant shall pay its Proportionate Share of Property Taxes or such other share that is attributable to the Premises, as the Landlord, acting reasonably, may apply, from time to time.
- (b) The Tenant shall, in respect of each calendar year included in whole or in part within the Term, pay to the Landlord an amount to cover the taxes imposed on the Landlord which are attributable to personal property, furnishings, fixtures or Leasehold Improvements installed within the Premises.
- (c) The Tenant shall, in respect of each calendar year included in whole or in part within the Term, pay to the Landlord the amount by which Property Taxes are increased above the Property Taxes which would have otherwise been payable as a result of the Premises or the Tenant or any other occupant of the Premises being taxed or assessed in support of separate schools.
- (d) Payment by the Tenant of all amounts on account of Property Taxes shall be governed by Sections 4.3, 4.4, 4.5, and 5.5.

5.4 Assessment Appeals

- (a) The Landlord shall have the right to defer payment of Property Taxes or other taxes, rates, duties, levies or assessments to be paid by the Landlord, or compliance thereto to the fullest extent permitted by law so long as it pursues in good faith any contest or appeal of any such taxes with reasonable diligence.
- (b) The Tenant shall not appeal any governmental assessment or determination of the value of the Development or any portion of the Development whether or not the assessment or determination affects the amount of Property Taxes or other taxes, rates, duties, levies or assessments to be paid by the Tenant.

5.5 Exemption from Property Taxes

The Landlord acknowledges and agrees that where the Tenant is exempt from the payment of Property Taxes, the Tenant may make the necessary application for such Property Tax exemption

upon execution of the Lease and from time to time throughout the Term as may be required by the assessment authority. The Landlord shall co-operate with the Tenant in such application, including executing any documentation reasonably required by the assessment authority, and approved by the Landlord acting reasonably, and the Landlord shall immediately provide the Tenant with any correspondence received by it from any taxing authority in this regard. The Tenant shall be responsible for the payment of any third party fees or costs in relation to the applications. The Landlord further agrees that once the application for exemption is approved and the Landlord receives the tax refund/credit applicable to the Premises in respect of such exemption application, the Landlord shall forthwith credit the Tenant for any portion of Property Taxes allocated to the Premises and paid by the Tenant to the Landlord prior to the date of the exemption approval pursuant to such approval, it being expressly agreed that in no event will the Landlord be responsible to credit the Tenant for any amount in excess of that paid to the Landlord by the Tenant in Property Taxes.

ARTICLE 6 SERVICES, COMMON AREAS

6.1 Tenant's Contribution to Operating Costs

- (a) The Tenant shall, throughout the Term, pay to the Landlord the Tenant's Proportionate Share of Operating Costs as determined by the Landlord.
- (b) Payment by the Tenant of all amounts on account of the Tenant's Proportionate Share of Operating Costs shall be governed by Sections 4.3, 4.4, and 4.5.

6.2 Operation of Regular HVAC System

- (a) The Landlord shall operate the HVAC System serving the Premises (save and except for the Tenant HVAC System which shall be Tenant's responsibility in accordance with Section 6.4) so as to provide conditions of reasonable comfort in the Premises during Business Hours except during the making of repairs, inspections, overhauling or replacement. If such equipment or systems are damaged or destroyed, or, in the opinion of the Landlord, require repair, inspection, overhauling or replacement, the Landlord shall carry out such work with all reasonable diligence, providing that if such repair, inspection, overhauling or replacement is required due to the actions or omissions of the Tenant or any Person for whom it is in law responsible, including its employees, agents, contractors, subtenants and licensees the costs of same shall be charged back to the Tenant as Additional Rent, in accordance with Section 9.1 herein.
- (b) The Landlord shall not be responsible for any loss, damages or costs arising from the failure of such equipment or systems to perform their function. Without limiting the generality of the foregoing, the Landlord shall not be responsible for the failure of such equipment and systems to (i) perform their function if the number of persons in the Premises at any one time exceeds a reasonable number; or (ii) if the electrical load from lights and power in the Premises is excessive or exceeds the standard of normal use as determined by the Landlord as determined by an Expert; or (iii) if such failure results from any arrangement of partitioning in the Premises or change or alteration thereto; or (iv) if the window covering on exterior windows is not kept fully closed while the windows are exposed to sunlight or (v) if any use of mechanical or electrical equipment installed in the Premises generates heat in excess of amounts specified in the Building Standard; or (vi) if such failure results from the Tenant failing to keep vents or air returns free and clear of obstruction. Notwithstanding anything in this Lease to the contrary, the Landlord shall not be liable for direct, indirect or consequential damages (including without limitation business losses, lost profits or good will), or damages for personal discomfort or illness of the Tenant or its employees, invitees or other Persons transacting business with it by reason of the operation or non-operation of such systems and equipment. In no event shall Rent abate during any non-operation of such heating, ventilating and air conditioning equipment and systems.

6.3 HVAC during Non-Business Hours

The Tenant may, upon two (2) days' written notice to the Landlord, request the Landlord to provide any service mentioned in Section 6.2 to the Premises or any portion or portions thereof during such non-Business Hours as the Tenant specifies. The Landlord may provide such service and charge

the Tenant, as an Additional Service Cost, the reasonable hourly rate for each hour or part thereof that such service is provided, such hourly rate to be determined by the Landlord and to comprise all additional costs incurred in providing such service.

6.4 Tenant HVAC System

The installation of a Tenant HVAC System shall be subject to Article 8 of this Lease. Notwithstanding any provision to the contrary in the Lease, throughout the Term and any renewal or extension, the Tenant shall be solely responsible for the cost of the maintenance, operation, repair and replacement of the Tenant HVAC System and any part thereof. The Tenant will operate and regulate the Tenant HVAC System as would a prudent owner and shall maintain in the Premises a temperature sufficient to ensure that no direct or indirect appropriation of heating, ventilating and/or air-conditioning from any other heating, ventilating and/or air-conditioning systems serving the [●] Building occurs and that no damage ensues to such system(s) or any part of the [●] Building. The Tenant shall take out and maintain in force such service contracts with reputable service providers (for matters such as but not limited to the maintenance and repair of the plumbing and other mechanical systems, services and equipment which are its responsibility pursuant to the provisions of this Lease, garbage, refuse, rubbish, trash and waste removal, security and the like), as Landlord, acting reasonably, may from time to time determine to be necessary or advisable for the good order, appearance, safety and care of the Premises. Copies of all such contracts shall be exhibited to Landlord upon demand.

The Tenant HVAC System shall at all times remain the ownership of the Tenant. However, the Tenant HVAC System shall remain upon and be surrendered with the Premises as a part thereof without disturbance, molestation or injury to them on the expiration or sooner termination of this Lease, absolutely, free of any liens or encumbrances and without payment therefor to the Tenant. Notwithstanding the foregoing or anything herein contained to the contrary, the Landlord may, by notice to the Tenant prior to or promptly after the termination of this Lease, require the removal, at the expense of the Tenant, of the Tenant HVAC System, and require the Tenant to restore the Premises, and any other part of the Development affected thereby, to the condition in which they existed prior to the installation and removal of the foregoing and to repair forthwith any damage to the Premises or the Development caused by such removal or installation thereof, such work to be done forthwith by or at the direction of the Landlord and at the expense of the Tenant. Such removal and repair shall be completed if reasonably possible by the date of termination of this Lease and otherwise promptly thereafter. If the Tenant does not remove the Tenant HVAC System prior to the expiry or earlier termination of the Term, the Landlord shall have the right to do so and the Tenant shall pay to the Landlord on demand, as Additional Rent, all costs incurred by the Landlord in connection therewith, plus an administration fee of fifteen percent (15%) of the costs.

6.5 Electricity and Other Utilities

- (a) The Landlord will provide and permit the Tenant to use the electricity, domestic water, sewage disposal and other utility services serving the [●] Building in such quantities as the Landlord, from time to time determines to constitute normal use for tenants in the [●] Building, the cost of which shall be paid by the Tenant to the Landlord. The Tenant shall not overload the capacity of any such service. The Tenant shall not bring onto the Premises any installations, appliances or business machines which are likely to consume significant amounts of electricity or other utilities or which require special venting without the prior written consent of the Landlord. The Tenant shall not engage any Person to provide any utility service to the Premises. The Tenant shall pay the cost of all utilities not separately measured based on the costs of utilities in quantities which represent normal use for the Premises, as determined by the Landlord, acting reasonably, which shall be paid by the Tenant to the Landlord separately as Additional Rent.
- (b) The Landlord shall replace, in accordance with the Building Standard and, at the Landlord's election, non-Building Standard electric light fixtures, ballasts, tubes, starters, lamps, light bulbs and controls in the Premises (such to be at Tenant's sole cost and expense, including the cost of acquiring any materials or fixtures). In carrying out its obligations, the Landlord may adopt a system of periodic group re-lamping in accordance with sound building management practice, the cost of which forms part of the Operating Costs.

- (c) The Tenant shall pay, as an Additional Service Cost, all charges for electricity and other utilities provided to the Premises for consumption of utilities deemed by the Landlord, acting reasonably, to be excessive, together with the costs of the aforesaid replacement, maintenance and repair. The charges for said excessive consumption of electricity and other utilities used in the Premises and all costs as aforesaid shall be determined by the Landlord or its agent using a reasonable method of calculation which has been communicated to the Tenant.
- (d) If requested by the Landlord, the Tenant shall install, at the Tenant's sole expense, separate meters specified by the Landlord for measuring consumption of energy or other utilities in the Premises.

6.6 Operation of Common Areas

The Tenant acknowledges and agrees that the Common Areas of the Development shall at all times be subject to the exclusive management and control of the Landlord.

6.7 Janitorial Services

[NTD: To be reviewed depending on services provided]

- (a) The Landlord shall provide to the Premises basic office cleaning services of a standard (both as to extent and frequency) as a reasonably prudent owner would do having regard to the type and age of the Development, the cost of which shall form a part of Operating Costs. Such services shall include, but not be limited to, causing periodically as may be appropriate or necessary in keeping with such standard the floors of the Premises to be swept, the interior surface of the exterior windows of the Premises to be cleaned, the desks, tables, other furniture and venetian blinds, if any, in the Premises to be dusted and any broadloom in the Premises to be vacuumed. All interior glass, curtains, carpets, rugs and drapes of any kind in the Premises shall be cleaned and maintained by the Tenant, at the Tenant's sole cost and expense, using contractors approved by the Landlord, although the Landlord shall have the right to elect to provide such additional cleaning, as provided in Section 6.7(c).
- (b) The Tenant shall grant access necessary for the performance of the janitorial services and shall leave the Premises in a condition that facilitates the performance of such services. The Tenant acknowledges that the Landlord will be relieved of its cleaning obligation as provided in Section 6.7(a) in respect of any part of the Premises to which access is not granted by the Tenant to the Person or Persons retained to perform such work.
- (c) If the Tenant desires any janitor or cleaning services for the Premises in addition to those contemplated by Section 6.7(a) and if the Landlord from time to time elects, acting reasonably, to provide exclusively (either directly or through agents or contractors designated by it) such additional services or if the Landlord supervises the moving of furniture or equipment of the Tenant or the making of deliveries to or from the Premises, such additional services referred to in this Section 6.7(c) shall be treated as Additional Services and all reasonable Additional Service Costs shall be paid by the Tenant to the Landlord forthwith after demand.
- (d) The Landlord shall not be responsible for any omission or act of commission on the part of the Person or Persons employed or retained to perform the cleaning services referred to in this section or for any loss thereby sustained by the Tenant, the Tenant's employees, agents, invitees or others.

6.8 Payment for Additional Services

The Tenant shall pay to the Landlord the costs of all services provided by the Landlord to the Tenant (plus an administrative charge of fifteen percent (15%)), other than services supplied by the Landlord and charged as Operating Costs. Such services shall include services performed at the Tenant's request or otherwise provided for herein including, without limitation: (a) the provision of processed air, electricity and other utilities and services outside of Business Hours or of a special nature or in excess quantities; (b) replacement of non-standard electric light fixtures, ballasts, tubes, starters, lamps, light bulbs and controls; (c) special janitorial or cleaning services; (d) operating elevators for the sole benefit of the Tenant and supervising the movement of

furniture, equipment, freight and supplies for the Tenant; and (e) construction of any Leasehold Improvements or other work performed at the request of or on behalf of the Tenant.

6.9 Telecommunication

- (a) The Tenant shall utilize the telecommunications service provider for the Development. The Tenant shall be billed directly by the provider for the services consumed. For the avoidance of doubt, any of the aforementioned costs payable to a telecommunication provider shall be in addition to the Tenant's Proportionate Share of a Campus Information Technology Infrastructure Fee, being the Landlord's estimated annual costs of maintaining the information technology infrastructure for the Development (the "**Campus Information Technology Infrastructure Fee**").
- (b) The Tenant shall be responsible for the costs associated with the supply and installation of telephone, computer and other communication equipment and systems and related wiring within the Premises to the boundary of the Premises for hook up or other integration with telephone and other communication equipment and systems of a telephone or other communication service provider, if required, which equipment and systems of the service provider are located or are to be located in the Premises pursuant to the Landlord's standard form of license agreement.
- (c) If requested by the Tenant, the Tenant shall be granted access to the Landlord's Bell fibre internet, subject to availability, as a monthly cost to be determined by the Landlord, and to be paid by the Tenant on a monthly basis as Additional Rent (the "**Fibre Fee**"). For the avoidance of doubt, the Fibre Fee shall be in addition to all other costs contemplated by Sections 6.9(a) and 6.9(b).
- (d) The Landlord shall incur no expense or liability whatsoever with respect to any aspect of the provision of telecommunication services, including without limitation, the cost of installation, service, materials, repairs, maintenance, interruption or loss of telecommunication service.

6.10 Security Services

[NTD: To be deleted if such services are not provided]

- (a) The Landlord may provide security services for the [●] Building so as to reasonably ensure that access to the [●] Building during other than Business Hours shall be restricted to those Persons entitled to be allowed entry to the [●] Building, provided they comply with the requirements established by the Landlord.
- (b) The Landlord may from time to time adopt appropriate systems and procedures for the security and safety of the Development and the tenants and occupants and contents thereof, and the Tenant shall comply with the Landlord's requirements in respect of such systems and procedures.
- (c) The Tenant acknowledges that the Landlord shall not be responsible for any omission or act of commission on the part of any Person employed or retained to provide security service pursuant to this Section or for any loss thereby sustained by the Tenant, the Tenant's employees, agents, invitees or others.

6.11 Interruption in Services

The Landlord has the right to stop the use of any facilities and the supply of any services when necessary by reason of accident or during the making of repairs, replacements, alterations or improvements, in the judgment of the Landlord necessary or desirable to be made, until the repairs, replacements, alterations or improvements have been completed to the satisfaction of the Landlord provided that the Landlord shall use commercially reasonable efforts to minimize any interference with the Tenant's use and enjoyment of the Premises, both as to the extent and duration of such interference. The Landlord shall have no responsibility or liability for failure to operate any facilities or supply any services when the use of the facility is stopped as aforesaid or when the Landlord is prevented from using the facility or supplying the service by strike, or by orders or regulations of any governmental authority or agency or by failure of the electric current, gas, steam

or water supply necessary to the operation of any facility or by the failure to obtain such a supply or by any other cause beyond the Landlord's reasonable control.

6.12 Energy Conservation

The Tenant shall comply with any measures the Landlord, acting reasonably, or any legislative authority may from time to time introduce to conserve or to reduce consumption of energy or to reduce or control other Operating Costs or shall pay as Additional Rent the cost, to be estimated by the Landlord acting reasonably, of the additional energy consumed in the Development by reason of such non-compliance. The Tenant shall also convert to whatever system or units of measurement of energy consumption the Landlord may from time to time adopt.

6.13 Pest Control by Tenant

The Tenant agrees to institute and carry out and maintain, at its own expense, such pest control measures in the Premises as the Landlord reasonably requires.

ARTICLE 7 USE AND OCCUPANCY OF PREMISES

7.1 Use of Premises

- (a) The Tenant shall continuously, actively and diligently throughout the Term of this Lease and any extensions thereof, in a first-class, reputable manner befitting the reputation and image of the Development, use the whole of the Premises only for [insert] purposes and for no other purpose (the "Permitted Use"). The Tenant shall not use the Premises in a manner which does or could result in excessive demands being placed on the Building Systems or other Common Areas. The Tenant acknowledges that: (i) the Landlord is making no representation or warranty as to the Tenant's ability to use the Premises for its intended use; and (ii) prior to executing this Lease, the Tenant will be required to perform such searches, and satisfy itself, that its use is permitted under all Applicable Laws, and that the Tenant will be able to, and will, at its sole cost and expense, obtain an occupancy permit.
- (b) The Tenant acknowledges and agrees that it shall not be permitted at any time during the Term and all extensions or renewals thereof to carry out any business in the Premises in such a manner as to infringe upon any exclusive use rights granted to certain other tenants of the Development and made known to the Tenant, provided, however, that any such exclusive use provisions do not prohibit the Tenant from conducting in and from the Premises the Permitted Use defined in Section 7.1(a) above. The Tenant also agrees that it shall not be permitted at any time during the Term and all extensions or renewals thereof to carry on business in the Premises in such a manner as to infringe upon any future exclusive uses of which the Landlord notifies the Tenant or of which the Tenant becomes aware, or with reasonable efforts, should have become aware provided, however, that any such exclusive use provisions do not prohibit the Tenant from conducting in and from the Premises the Permitted Use defined in Section 7.1(a) above. The Tenant shall indemnify and save the Landlord harmless from any and all liability, losses, damages and expenses incurred or suffered by the Landlord in connection with the infringement or alleged infringement by the Tenant of any of such exclusive use provisions listed or in remedying or attempting to remedy such infringement or alleged infringement including, without limitation, the Landlord's legal fees and expenses on a solicitor and client basis.

7.2 Waste and Nuisance

The Tenant shall not cause or allow any act or thing which constitutes a nuisance or which is offensive to the Landlord, or other occupants of the Development or which interferes with the operation of any Common Use Equipment or with the computer equipment, telecommunication equipment or other technological equipment of the Landlord, any service providers or other occupants of the Development. The Tenant shall keep the Premises free of debris and other items that might attract rodents or vermin and free of anything of a dangerous, noxious or offensive nature or which could create a fire, environmental, health or other hazard (including any electromagnetic fields or other forms of radiation) or undue vibration, heat or noise.

7.3 No Overloading of Premises or Common Use Equipment

The Tenant shall not permit or allow any overloading of the floors of the Premises or the bringing into any part of the Premises of any articles or fixtures that by reason of their weight or size might damage or endanger the structure of the Premises or the [●] Building. The Tenant shall not permit or allow anything that might result in any overloading of any of the Common Use Equipment.

7.4 Insurance Cancellation or Increase

The Tenant shall not do or omit to do or permit to be done or omitted to be done in the Premises or in the Development anything which would cause any policy of insurance on the Development to be subject to cancellation or non-renewal or which would cause an increase in the cost of any insurance which the Landlord is obligated by this Lease to maintain. Upon any default by the Tenant which would result in cancellation or non-renewal or an increased cost to the Landlord, and if the Tenant fails to remedy the condition giving rise to the cancellation, threatened cancellation, or non-renewal of coverage or fails to pay the amount of such increased cost in insurance to the Landlord within forty-eight (48) hours (or such lesser period as the Landlord acting reasonably may determine, having regard to the urgency of the situation) after notice to the Tenant, the Landlord may, at its option and without limiting the Landlord's remedies, terminate this Lease on forty-eight (48) hours' notice to the Tenant. Without limiting the foregoing, the Tenant shall pay to the Landlord, forthwith upon demand, the amount of any such increase in cost and a fifteen percent (15%) administration fee thereon as Additional Rent forthwith upon receipt of the invoices of the Landlord for such additional premiums.

If any insurance policy is cancelled or threatened by the insurer to be cancelled or the coverage thereunder is altered in any way because of the use or occupation of the Premises by the Tenant or by any Person for whom the Tenant is in law responsible, and if the Tenant fails to remedy the condition giving rise to the cancellation, threatened cancellation or alteration in coverage within forty-eight (48) hours (or such lesser period as the Landlord acting reasonably may determine, having regard to the urgency of the situation) after notice to the Tenant of such cancellation or proposed cancellation or alteration, the Landlord may (but shall not be obligated to) without further notice or any liability to the Tenant or any other occupant of the Premises, enter the Premises and attempt to remedy such condition or obtain or attempt to obtain insurance coverage in replacement of the coverage cancelled, threatened to be cancelled or altered in coverage; and the Tenant shall pay to the Landlord, forthwith upon demand, the cost thereof and a fifteen percent (15%) administration fee thereon as Additional Rent forthwith upon receipt of the invoices of the Landlord.

7.5 Compliance with Laws

The Tenant shall, at its expense, promptly comply with all Applicable Laws during the Term affecting the Tenant's use of the Premises or any part thereof and/or the business carried on therein and/or the Leasehold Improvements, trade fixtures, furniture, machinery, equipment and other facilities located in the Premises and/or any other part of the Development affected by the Tenant's actions in the Premises.

7.6 [COVID-19]

[The Tenant acknowledges and agrees that as at the date it is entering into this Lease, the Province of Ontario has issued multiple emergency orders as a result of the COVID-19 pandemic, and the governmental authorities may order or recommend the shutdown of any or all business operations in any location at any time and from time to time. The Tenant shall immediately upon becoming aware of same, inform the Landlord of any outbreak of an infectious disease amongst its employees, agents, volunteers, visitors, or those for which it is responsible for at law (including but not limited to, an individual testing positive for COVID-19), where such outbreak may impact the health and/or safety of other occupants of the Development. The Tenant further covenants and agrees that it will take all steps required to ensure that its use of the Premises, the Shearer Building, and any other part of the Development adheres to the Landlord's rules and regulations, and all governmental directives and guidelines in place to limit the spread of COVID-19, including but not limited to those released by the Government of Ontario, and the Health Unit of Eastern Ontario.]

7.7 Rules and Regulations

The Tenant shall observe and perform, and shall cause its employees, agents, invitees and others over whom the Tenant can reasonably be expected to exercise control to observe and perform the

rules and regulations attached hereto as Schedule “C” and such other rules and regulations or amendments as may be made from time to time by the Landlord acting reasonably (collectively, the “**Rules and Regulations**”). The Tenant acknowledges that the Rules and Regulations, as from time to time amended or replaced, are not necessarily of uniform application but may be waived in whole or in part in respect of other tenants without affecting their enforceability with respect to the Tenant and the Premises, and may be waived in whole or in part with respect to the Premises without waiving them as to future application to the Premises. The Landlord shall not be obligated to enforce either or both the Rules and Regulations and shall not be responsible to the Tenant for failure of any Person to comply with either or both the Rules and Regulations. Without limiting the generality of the foregoing, the Tenant further acknowledges that the Landlord may from time to time impose rules and regulations specific to the Premises. In any conflict between a provision of this Lease and any of the Rules and Regulations, the provision of this Lease shall govern. The Landlord agrees that it will not enforce the Rules and Regulations in a manner that is discriminatory to the Tenant.

7.8 Signs

The Tenant shall not erect, affix or install any sign, lettering, identification or advertising material or inscribe anything upon any part of the exterior of the [●] Building, or upon the exterior or interior surfaces of any exterior window or door to the Premises or upon the exterior of any demising walls, or upon any Common Areas, except the usual tenant identification on the electronic directory board as designated by the Landlord and except for a sign on the door leading to the Premises which sign shall be in the standard design for the [●] Building and shall be consented to by the Landlord, acting reasonably.

7.9 Name of Development

The Tenant shall, in referring to the Development, use only the name designated from time to time by the Landlord, currently the Kemptville Campus Education and Community Centre.

ARTICLE 8 ALTERATIONS

8.1 Alterations by Tenant

- (a) The Tenant shall not, without the prior consent of the Landlord, make, erect, alter or install any Leasehold Improvements or other alterations or installations to the Premises (the “**Work**”).
- (b) If the Tenant wishes to do any Work, the Tenant shall apply for the Landlord’s consent and furnish such plans, specifications and designs as shall be necessary to fully describe the Work. The Landlord’s consent thereto shall not be unreasonably withheld or delayed; provided that, without limitation, any refusal to grant consent based on grounds that such Work is not in compliance with the Building Standard or that the Tenant has not posted security with the Landlord shall be conclusively deemed not to be an unreasonable withholding of consent.
- (c) Subject to the Landlord’s consent having been obtained and the Landlord’s reasonable requirements (including the posting of reasonable security, if requested) being met, the Landlord recognizes the right of the Tenant to install such interior partitions and other Leasehold Improvements as are necessary or appropriate to its use and occupancy of the Premises.
- (d) Any Work shall, if the Landlord so elects, be performed by the Landlord or contractors which the Landlord, using its best judgment has engaged. The cost of such Work will be promptly paid by the Tenant to the Landlord on the basis of either:
 - (i) a lump sum price agreed to by the Landlord and the Tenant; or,
 - (ii) the cost of such Work plus ten percent (10%) for Landlord’s overhead plus ten percent (10%) of such cost and overhead for Landlord’s profit.

In the absence of any such election by the Landlord, such Work may be performed by contractors retained by the Tenant pursuant to written contracts which have been approved

by the Landlord (such approval not to be unreasonably withheld) and are subject to all reasonable conditions which the Landlord imposes. In either event, the Landlord shall have the right to inspect such Work and require any Work not being properly done to be corrected, and to approve on a reasonable basis (which may include considerations involving trade union affiliations or the lack of them and work jurisdiction, where in the opinion of the Landlord there is a risk of labour disputes which might adversely affect the Landlord) the contractors, tradesmen or the Tenant's own employees (as the case may be) employed by the Tenant in connection therewith.

- (e) Unless the Landlord has elected pursuant to subparagraph (d) to perform the Work, the Tenant shall pay to the Landlord, within ten (10) days after the receipt of the Landlord's invoice, the Landlord's reasonable out-of-pocket costs incurred in examining and approving the Tenant's plans, specifications and designs and in inspecting the Work and any additional expenses actually incurred by the Landlord in connection with such Work together with a coordination and supervision fee equal to ten percent (10%) of the total cost to the Tenant of such Work.
- (f) The Tenant shall provide, prior to the commencement of Work, evidence of required workers compensation coverage and proof of owner and contractors protective liability insurance coverage, with the Landlord, Kemptville Campus Education and Community Centre, any property manager and any Mortgagee as required by the Landlord, to be named as additional insureds, in amounts, with insurers, and in a form satisfactory to the Landlord, which shall remain in effect during the entire period in which the Work will be carried out. In addition, if requested by the Landlord, the Tenant shall provide proof of performance and payment bonds being in place;
- (g) The Tenant will deliver a list identifying every contractor and subcontractor, accompanied by an up-to-date valid clearance certificate for each of them issued by the appropriate workers compensation, safety and insurance authority and the Landlord shall have approved, prior to commencement of the Work, such contractors and subcontractors and their respective labour affiliations. The Tenant will not use any contractor or permit the use of any sub-contractor that is not identified on the list. The Tenant shall have provided to the Landlord a copy of the contract for the Work and evidence satisfactory to the Landlord as to the existence of all necessary permits;
- (h) The Tenant shall perform the Work or cause the Work to be performed: (i) in accordance with any construction methods and procedures manual for the [●] Building or the Development; (ii) in accordance with the plans and specifications submitted to and approved in writing by the Landlord; (iii) in accordance with any conditions, regulations, procedures or rules imposed by the Landlord; (iv) in compliance with all Applicable Laws; and (v) in a good and workmanlike and expeditious manner using new materials.
- (i) If the Tenant fails to observe any of the requirements of this Article, the Landlord may in its sole discretion require that construction stop and, at the Landlord's option, that the Premises be restored to their prior condition failing which the Landlord may do so and the Tenant shall pay the Landlord's cost plus an administration fee of fifteen percent (15%).
- (j) The Tenant shall provide to the Landlord a complete updated drawing set for the Premises including without limitation all electrical, mechanical and architectural drawings for changes made subsequent to occupancy for the affected area of the Premises.

8.2 Air Balancing

The Tenant agrees that it will, at the commencement of the Term and periodically throughout the Term including, without limitation, whenever any alterations are made to the Premises or requested by the Landlord, balance the air movement in the Premises at the Tenant's expense and for this purpose use the air balancer designated by the Landlord. Any rebalancing of the climate control system necessitated by the installation of partitions, equipment or fixtures by the Tenant or by any use of the Premises not in accordance with the design standards of such system shall be performed by the Landlord at the Tenant's expense. The Tenant shall provide copies of all air balancing reports, as completed, to the Landlord.

8.3 No Financing by Tenant of Leasehold Improvements

The Tenant shall not create any lien, mortgage, charge, conditional sale agreement or other encumbrance in respect of its Leasehold Improvements or, without the consent of the Landlord, with respect to its trade fixtures; nor shall the Tenant take any action as a consequence of which any such prohibited lien, mortgage, charge, conditional sale agreement or other encumbrance would attach to the Premises or to the Development.

8.4 Liens

- (a) In connection with the making, erection, installation or alteration of Leasehold Improvements and trade fixtures and all other work or installations or alterations made by or for the Tenant in the Premises, the Tenant shall comply with every applicable statute, law, by law, regulation, ordinance and order affecting the same and affecting the Development as a result of the actions of the Tenant including, without limitation, the *Construction Act* of Ontario, and any other statutes from time to time applicable thereto (including any provision requiring or enabling the retention by way of holdback of portions of any sums payable) and, except as to any such holdback, shall promptly pay all accounts relating thereto.
- (b) Whenever any construction or other lien for work, labour, services or materials supplied to or for the Tenant or for the cost of which the Tenant may be in any way liable or claims therefor shall arise or be filed or any prohibited mortgage, charge, conditional sale agreement or other encumbrance shall attach, the Tenant shall within five (5) days after receipt of notice thereof procure and register the discharge thereof, including any certificate of action registered in respect of any lien, by payment or in such other manner as may be required or permitted by law, and failing which the Landlord may make any payments required to procure and register the discharge of any such liens or encumbrances, including any certificate of action registered in respect of any lien, and shall be entitled to be reimbursed by the Tenant as provided in Section 15.3, and the Landlord's right to reimbursement shall not be affected or impaired if the Tenant shall then or subsequently establish or claim that any lien or encumbrance so discharged was without merit or excessive or subject to any abatement, set off or defence.
- (c) The Landlord and the Tenant agree that any work done in the Premises during the Term by or on behalf of the Tenant shall not be done and shall be deemed not to have been done at the request of the Landlord.

8.5 Control of the Development by the Landlord

The Landlord has at all times exclusive control of the Development and its management and operation, but not so as to deny the Tenant access to the Premises or interrupt delivery of services or utilities, in each case except in an emergency or to perform maintenance. Without limiting the generality of the foregoing, at any time and from time to time, the Landlord may:

- (a) make repairs, replacements, changes or additions to the structure, systems, facilities and equipment in the Development (including the Premises) where necessary to serve the Premises or other parts of the Development;
- (b) make changes or additions to any part of the Development not in or forming part of the Premises including, without limitation, dedicating or conveying portions of the Lands, granting easements, rights-of-way, restrictive covenants or other interests in the Lands and constructing additional improvements in or adjoining the Lands;
- (c) own or acquire from time to time lands or buildings contiguous to or near the Development and may at its option retain them separately or have them included as part of the Development. The Landlord may from time to time cease to include as part of the Development any buildings or vacant lands now or hereafter forming part of the Development;
- (d) terminate or amend the Tenant's right of use of any of the Common Areas, change the location and size of any of the Common Areas or use parts of the Common Areas for promotional or other activities, employ all personnel and make all rules and regulations necessary for the proper operation and maintenance of the Common Areas, and do such other acts with respect thereto as the Landlord, acting reasonably, shall determine to be

advisable; provided, however, that the Tenant, unless deprived by reasons beyond the Landlord's control, shall always have the use of such of the Common Areas as are reasonably necessary for the use and enjoyment of the Premises;

- (e) retain contractors and employ all personnel, including supervisory personnel and managers, that the Landlord, considers necessary for the effective maintenance, repair, operation, management and control of the Development;
- (f) control, supervise and regulate the shipping and delivery of goods, supplies, equipment and fixtures within the Development, and in addition the Landlord may require that the movement of all goods, supplies, equipment and fixtures between shipping and receiving areas and the Premises be effected by the Landlord or someone designated by them; and
- (g) do and perform such other acts in and to the Development or any of its component parts as the Landlord considers reasonable for the proper and efficient maintenance, repair, operation, management and control of the Development,

provided that in the course of the exercise of their rights hereunder, the Landlord shall be deemed not to have re-entered the Premises nor to have breached any obligation of this Lease. Notwithstanding anything contained in this Lease, it is understood and agreed that if as a result of the exercise by the Landlord of its rights set out in this Section 8.5, the Development, including for greater certainty the Common Areas, 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.

The Landlord shall perform all of its work as expeditiously as is reasonable so as to minimize interference with the Tenant's use of the Premises.

ARTICLE 9 REPAIRS

9.1 Landlord's Repairs

The Landlord shall keep or cause to be kept the following in good repair to the standards from time to time prevailing for buildings of similar use in the area in which the [●] Building is located, subject, however, to the limitations occasioned by the design and age of the [●] Building and the capacity of its systems and to reasonable wear and tear not inconsistent with such standard:

- (a) the Structural Components;
- (b) the Building Systems;
- (c) the Common Use Equipment; and
- (d) the Common Areas,

provided that:

- (e) if all or part of the Building Systems or Common Use Equipment require repair, replacement, maintenance or inspections, the Landlord shall have a reasonable time in which to complete such work, and during such time shall only be required to maintain such services as are reasonably possible in the circumstances; and
- (f) if any repair, replacement, maintenance or inspections are required for any of the items listed in Section 9.1(a) to 9.1(d) due to the actions or omissions of the Tenant or any Person for whom it is in law responsible, including its employees, agents, contractors, subtenants and licensees, the costs of same shall be charged back to the Tenant as Additional Rent; and
- (g) no reduction or discontinuance of such services or loss of use of the Premises shall be construed as an eviction of the Tenant or (except as specifically provided in this Lease) release the Tenant from any obligation under this Lease.

9.2 Tenant's Repairs

Subject to Section 9.5, the Tenant shall, at its expense and throughout the Term, keep the Premises and the Leasehold Improvements and trade fixtures therein and all electrical, telephone and cable outlets and conduits and all mechanical and electrical equipment within the Premises in good order and condition to the standards from time to time prevailing for similar office buildings in the area in which the [●] Building is located, subject to reasonable wear and tear not inconsistent with such standard, Insured Damage and repairs which the Landlord is otherwise obliged to repair only excepted. The Tenant shall also repair damage to the Development caused by the Tenant and which is not Insured Damage. All repairs by the Tenant shall be subject to Section 8.1 as though such repair was Work as therein defined.

9.3 Notice of Defects

The Tenant shall give to the Landlord prompt notice of any defect in the Common Areas, Building Systems, or Common Use Equipment or any damage to the Premises or any part thereof howsoever caused; provided that nothing herein shall be construed so as to require repairs to be made by the Landlord except as expressly provided in this Lease.

9.4 Termination or Abatement after Damage

(a) If, by any cause:

- (i) the Premises are destroyed or damaged; or
- (ii) reasonable access to the Premises is prevented by damage to the [●] Building,

and, in the Landlord's opinion reasonably arrived at, written notice of which may be given to the Tenant within sixty (60) days after the occurrence of such damage or destruction, such damage or destruction cannot be repaired or rebuilt or reasonable access to the Premises restored within one hundred eighty (180) days after such damage or destruction, or if there is damage not within the definition of Insured Damage, the cost of repair of which would exceed \$50,000.00, then the Landlord may, at its option, terminate this Lease by notice to the Tenant within ten (10) days after the giving of the Landlord's written notice aforesaid, and the Tenant shall immediately thereupon surrender the Premises and this Lease to the Landlord and Rent shall be apportioned to the date of such destruction or damage (subject to the payment of Rent from the date of such destruction or damage to the date of surrender in the same proportion that the part of the Gross Rentable Area of the Premises fit for occupancy by the Tenant and to which the Tenant has reasonable access until such surrender is of the total Gross Rentable Area of the Premises).

(b) If and whenever the Premises are destroyed or damaged by reason of any cause, or damage to the [●] Building has precluded reasonable access to the Premises, and this Lease shall not have been terminated if and as permitted by Section 9.4(a), the Landlord shall, with all reasonable diligence, make the repairs specified in Section 9.1 but only to the extent of insurance proceeds actually received in respect thereto and the Tenant shall make all repairs to the Premises specified in Section 9.2 and complete the Premises for occupancy for the purpose described in Section 7.1 and in compliance with Section 7.5 and if as a result of any destruction or damage to the Premises or the [●] Building which the Landlord is obligated to repair pursuant to Section 9.1, and which does not consist of merely a temporary interruption of or interference with any utility, service or access, the Premises are rendered in whole or in part unfit for occupancy by the Tenant or there is no reasonable access thereto, then during the period commencing on the occurrence of such destruction or damage and ending upon the earlier of:

- (i) the date when both the repairs to the Premises and the [●] Building which the Landlord is obligated to make as aforesaid are completed sufficiently to enable the Tenant reasonable use of and access to the Premises and/or to commence its repairs, and the Tenant has been allowed a reasonable period of time which is sufficient for the completion by it of the repairs it is obliged to make as aforesaid with due diligence; and

- (ii) the date upon which no insurance proceeds are available to the Landlord under its loss of rental income insurance coverage in respect of the Premises (other than by reason of the Landlord not carrying the insurance as set out in Section 10.1);

Rent shall from time to time abate in the same proportion that the part of the Gross Rentable Area of the Premises from time to time rendered unfit for such occupancy, or to which no reasonable access was available, by reason of such destruction or damage is of the total Gross Rentable Area of the Premises.

9.5 No Claim by Tenant

Except in respect of abatement of Rent as provided for in this Article, no claim for compensation or damages, direct or indirect shall be made by the Tenant by reason of the loss of use, inconvenience or otherwise arising from the necessity of repairing any portion of the Development however the necessity may arise.

9.6 Tenant to Leave Premises in Good Repair

The Tenant shall leave the Premises and (subject to Section 3.6) the Leasehold Improvements, at the expiration or other termination of the Term, in a good and clean condition, and in the condition and repair required of the Tenant under Section 9.2.

9.7 No Hazardous Substances

The Tenant covenants:

- (a) that it shall not, throughout the Term, bring or permit to be brought onto the Lands or the [●] Building (including the Premises), any Hazardous Substances except those reasonably required for the conduct of Tenant's business in the Premises as permitted by Section 7.1 and except in compliance with Environmental Laws;
- (b) to strictly comply, and cause any Person for whom it is in law responsible to comply, with all Environmental Laws regarding the use and occupancy of the Premises;
- (c) to promptly notify the Landlord in writing of any release of any Hazardous Substance or any other occurrence or condition on the Lands or the [●] Building or any adjacent properties, which could contaminate the Lands or the [●] Building or subject the Landlord or the Tenant to any fines, penalties, orders, investigations or proceedings under Environmental Laws;
- (d) to indemnify the Landlord and its directors, officers, shareholders, employees, agents, successors and assigns, from any and all liabilities, actions, damages, claims, remediation cost recovery claims, losses, costs, orders, fines, penalties and expenses whatsoever (including all consulting and legal costs on a solicitor and own client basis and the cost of remediation of the Premises, the Lands and the [●] Building and any adjacent properties) arising from or in connection with:
 - (i) any breach of or non-compliance with the provisions of this Article by the Tenant; or
 - (ii) any release of any Hazardous Substances at or from the Premises related to or as a result of the use and occupation of the Premises, or any act or omission of the Tenant or any Person for whom it is in law responsible, including its employees, agents, contractors, subtenants and licensees.

The obligations of the Tenant under this Article shall survive the expiry or earlier termination of this Lease. The obligations of the Tenant under this Article are in addition to, and shall not limit, the obligations of the Tenant contained in other provisions of this Lease.

ARTICLE 10 INSURANCE AND LIABILITY

10.1 Landlord's Insurance

Subject to its general availability, the Landlord shall effect and maintain during the Term:

- (a) "all risks" property insurance which shall insure the [●] Building (other than any Leasehold Improvements) on a full replacement cost basis against loss or damage by perils now or hereafter from time to time embraced by or defined in a standard all risks insurance policy;
- (b) equipment breakdown insurance on objects defined in a standard comprehensive equipment breakdown policy against accidents as defined therein;
- (c) loss of rental income insurance in an amount sufficient to replace all Basic Rent and Additional Rent payable under the provisions of this Lease for an indemnity period of a reasonable period of time, not exceeding eighteen (18) months;
- (d) commercial general liability insurance covering claims for personal injury and property damage arising out of all operations in connection with the management and administration of the Development; and
- (e) such other coverage, or increases in the amount of coverage, as the Landlord may consider necessary.

For greater certainty, the Tenant acknowledges that the Landlord is not obligated to insure Leasehold Improvements in the Premises except to the extent herein specifically required. The insurance to be maintained by the Landlord shall be that which would be carried by reasonably prudent owners of properties similar to the Development, all as from time to time determined by insurance advisers selected by the Landlord, and whose written opinion shall be conclusive.

10.2 Tenant's Insurance

The Tenant shall, at its own expense, take out and keep in force during the Term and such other times as the Tenant is in occupation or possession of the Premises or any part thereof:

- (a) commercial general insurance of the type commonly called general public liability, which shall include coverage for personal injury, broad blanket contractual liability, employer's liability, owner's protective liability, non-owned automobile liability, bodily injury, death and property damage, all on an occurrence basis with respect to the business carried on in the Premises and the Tenant's use and occupancy of the Premises and use of the Common Areas, Building Systems, and Common Use Equipment, or of any other part of the [●] Building, with coverage for any one occurrence or claim of not less than \$5,000,000 or such other amount as the Landlord may from time to time reasonably require upon not less than thirty (30) days' notice at any time during the Term, which insurance shall contain a severability of interest clause and a cross-liability clause, both of which clauses must be satisfactory to the Landlord, acting reasonably;
- (b) "all risks" property insurance covering the Leasehold Improvements, trade fixtures, and the furniture and equipment in the Premises on a full replacement cost basis with an agreed amount co-insurance clause and by-law endorsement and which insurance shall provide that any proceeds recoverable with respect to Leasehold Improvements shall be payable to Landlord (but the Landlord agrees to make available such proceeds toward the repair or replacement of the insured property if this Lease is not terminated pursuant to any other provisions hereof);
- (c) tenant's legal liability insurance for the full replacement cost of the Premises, including loss of their use; and
- (d) insurance against such other perils and in such amounts as the Landlord or any Mortgagee of the Landlord may from time to time reasonably require upon not less than thirty (30) days' notice, such requirement to be made on the basis that the required insurance is customary at the time in the Town of Kemptville for tenants of buildings similar to the [●] Building.

10.3 Form of Tenant's Insurance

All insurance required to be maintained by the Tenant hereunder shall be on terms and with insurers to which the Landlord has no reasonable objection. Each policy shall:

- (a) contain a waiver by the insurer of any rights of subrogation or indemnity or any other claim to which the insurer might otherwise be entitled against the Landlord or the directors, officers, agents or employees of the Landlord;
- (b) specifically cover the acts or omissions of the Landlord, and its directors, officers, agents and employees, Kemptville Campus Education and Community Centre, and any Mortgagees, or property managers;
- (c) name the Landlord, Kemptville Campus Education and Community Centre, any property manager and any Mortgagee as required by the Landlord, to be named as additional insureds;
- (d) be primary, non-contributory with and not excess of any insurance available to the Landlord; and
- (e) contain an undertaking by the insurer that no material change adverse to the Landlord or the Tenant will be made and the policy will not lapse or be cancelled or not be renewed, except after not less than thirty (30) days' prior written notice by registered mail to the Landlord of the intended change, lapse, cancellation or non-renewal.

The Tenant shall furnish to the Landlord evidence of such insurance in the form of certificates of the policies of the insurance from time to time effected by the Tenant and its renewal or continuation in force, together with evidence as to the method of determination of full replacement cost of the Tenant's Leasehold Improvements, trade fixtures, furniture and equipment. If the Landlord reasonably concludes that the full replacement cost has been underestimated, the Tenant shall forthwith arrange for any consequent increase in coverage required under Section 10.2. If the Tenant fails to take out, renew or keep in force such insurance, or if the policies submitted to the Landlord pursuant to the preceding sentence are unacceptable to the Landlord (or no such policies are submitted within a reasonable period after request therefor by the Landlord), then the Landlord may give to the Tenant notice requiring compliance with this Section and specifying the respects in which the Tenant is not then in compliance with this Section. If the Tenant does not, within seventy-two (72) hours (or such lesser period as the Landlord may reasonably require having regard to the urgency of the situation), provide appropriate evidence of compliance with this Section, the Landlord may (but shall not be obligated to) obtain some or all of the additional coverage or other insurance which the Tenant shall have failed to obtain, without prejudice to any other rights of the Landlord under this Lease or otherwise, and the Tenant shall pay all premiums and other costs incurred by the Landlord forthwith upon demand.

10.4 Release of Landlord by Tenant

The Tenant hereby releases the Landlord from any and all claims, actions, causes of action, damages, demands for damages and other liabilities, howsoever arising, that may be made by the Tenant against the Landlord under the provisions of this Lease to the extent of all insurance proceeds paid under the policies of insurance maintained by the Tenant or which would have been paid if the Tenant had maintained the insurance required under this Lease and had diligently processed any claims thereunder. In addition and without limitation, the Tenant agrees that the Landlord, regardless of negligence or alleged negligence on the part of the Landlord or any breach of the Lease by the Landlord and, notwithstanding anything else herein contained, shall not be liable for and hereby releases the Landlord from:

- (a) any and all claims, actions, causes of action, damages, demands for damages and other liabilities:
 - (i) for or related to any bodily injury, personal injury, illness or discomfort to or death of the Tenant or any of its agents, officers, contractors, employees, invitees, licensees and any other Person for whom the Tenant is legally responsible in or about the Development or the Premises; and
 - (ii) for or related to any loss or damage to property owned by the Tenant or by others and for which property the Tenant is responsible in or about the Development or the Premises, and, without limiting the foregoing, the Landlord shall not be liable

for any damage caused by steam, water, rain or snow which may leak into, issue or flow from part of the Development, including the Premises, or from the pipes or plumbing works thereof, or from any other place or for any damage caused by or attributable to the condition or arrangement of any electric or other wiring;

- (b) any loss or damage caused as a result of any damage, destruction, construction, alteration, expansion, expropriation, reduction, repair or reconstruction from time to time of the Development, any parts or components of the Development or of improvements on adjoining properties or by anything done or omitted to be done by any other tenant or occupant;
- (c) any act or omission (including theft, malfeasance or negligence) on the part of any agent, contractor or Person from time to time employed by Landlord to perform janitorial services, security services, supervision or any other work in or about the Premises or the Development;
- (d) any loss or damage, however caused, to books of account, records, files, money, securities, negotiable instruments, papers, computer disks, tapes, software, data and other electronic files and their storage media of any kind or to other valuables of the Tenant including art, artworks, statuary, antiques, gems and precious metals of the Tenant and of others;
- (e) any loss or damage arising from obstruction of deliveries to or from the Premises or interruption, cessation, faulty operation, breakdown or failure of any Common Use Equipment or Building Systems (as well as any Tenant HVAC System), including but not limited to, the supply of any utilities, telecommunication services (whether controlled or owned by the Landlord or not) or other services in, to or serving the Development or the Premises, whether they are supplied by the Landlord or by others; and
- (f) any indirect or consequential damages including, but not limited to, business losses, loss of profit or good will.

10.5 Indemnity of Landlord by Tenant

The Tenant will indemnify and defend the Landlord and all Persons for whom the Landlord is in law responsible and shall hold them and each of them harmless from and against, any and all liabilities, claims, damages, losses and expenses, penalties, fines and sanctions of any kind whatsoever, including costs of remediation and any fines and damages resulting from any of the same and including all legal fees on a solicitor and their own client basis and other consultants' fees and disbursements due to, arising from or to the extent contributed to by:

- (a) any breach by the Tenant or any Persons for whom the Tenant is in law responsible of any of the provisions of this Lease or any Applicable Law;
- (b) any act or omission of any Person on the Premises (save and except the Landlord and Persons for whom the Landlord is in law responsible) or any use or occupancy of or any property in the Premises;
- (c) any act or omission of the Tenant or any Persons for whom the Tenant is in law responsible elsewhere on or about the Development;
- (d) any injury, death or damage to Persons or property of Tenant or any Persons for whom the Tenant is in law responsible or any other Persons on the Development by or with the invitation, licence or consent of Tenant or any Persons for whom the Tenant is in law responsible caused by any reason whatsoever.

ARTICLE 11 ASSIGNMENTS, ETC. AND TRANSFERS ETC.

11.1 Transfer by Tenant

- (a) The Tenant shall not enter into, consent to, or permit any Transfer without the prior written consent of the Landlord which shall not be unreasonably withheld. Without limitation, it shall constitute reasonable grounds for any withholding of consent by the Landlord if:

- (i) an Event of Default on the part of the Tenant hereunder has occurred and is continuing, or the Tenant has previously been in material or persistent breach of any of its obligations under this Lease;
 - (ii) the proposed Transfer would be or could result in violation or breach of any covenants or restrictions made or granted by the Landlord to other tenants or occupants, or prospective tenants or occupants, of the Development;
 - (iii) in the Landlord's opinion:
 - (A) the proposed Transferee does not have a satisfactory financial background and/or capabilities; or
 - (B) the proposed Transferee is a tenant or subtenant of other space in the Development; or
 - (C) the proposed Transferee does not have a satisfactory reputation in the business community or business history; or
 - (D) it is intended or likely that the proposed Transferee will use any part of the Premises for purposes which are not permitted by this Lease or which are not acceptable to the Landlord, acting reasonably, or which are not compatible with the other businesses or activities which are being carried on in the Development; or
 - (E) if the Transfer affects less than all of the Premises.
 - (iv) the proposed Transferee or any principal of the proposed Transferee or any principal shareholder of the proposed Transferee has a history of defaults under other commercial leases or does not have a satisfactory history of compliance with laws;
 - (v) the Landlord at the time has, or will have in the next ensuing three (3) month period, other premises in the Development suitable for leasing to the proposed Transferee;
 - (vi) the basic and additional rent payable by the Transferee is less than the Basic Rent and Additional Rent payable by the Tenant hereunder as at the effective date of the Transfer.
- (b) Notwithstanding the foregoing, the Landlord shall be entitled to withhold consent to a Transfer arbitrarily where it exercises its right to termination pursuant to Section 11.2;
- (c) If the Landlord's consent is given, the Tenant shall perform the Transfer, but only upon the terms set out in the offer submitted to the Landlord pursuant to Section 11.2 and not otherwise. Such Transfer shall occur within ninety (90) days after the Tenant's request for consent and only upon any Transferee entering into an agreement directly with the Landlord and in a form satisfactory to the Landlord, acting reasonably, to perform, observe and keep each and every covenant, proviso, condition and agreement in this Lease on the part of the Tenant to be performed, observed and kept, including payment of Rent.
- (d) All reasonable costs of the Landlord incurred with respect to any Transfer by the Tenant shall be paid by the Tenant forthwith after demand.
- (e) The Landlord shall also have the right of approval of any marketing of space by the Tenant and said approval shall not be unreasonably withheld.

11.2 Landlord's Rights of Cancellation

- (a) The Tenant shall not effect a Transfer unless:
- (i) it shall have received or procured a bona fide written offer from a proposed Transferee therefor which is not inconsistent with, and the acceptance of which would not breach, any provisions of this Lease and which the Tenant has determined to accept subject to this Section being complied with, and

- (ii) it shall have requested and obtained the consent in writing of the Landlord thereto as aforementioned.

Any request for such consent shall be in writing and accompanied by a true copy of such offer, and the Tenant shall furnish to the Landlord all information available to the Tenant or any additional information requested by the Landlord, as to the responsibility, reputation, financial standing and business of the proposed Transferee.

- (b) Within fifteen (15) days after the receipt by the Landlord of such request for consent and of all information which the Landlord shall have requested hereunder (and if no such information has been requested, within fifteen (15) days after receipt of such request for consent), the Landlord shall have the right upon notice to the Tenant, if the request is to Transfer the whole of the Premises, to terminate this Lease or, if the request is to Transfer a part of the Premises only, to delete from the Lease such part of the Premises as are requested to be subject to a Transfer, in each case as of a date of the proposed Transfer, as the case may be. In such event, the Tenant shall surrender the whole or part, as the case may be, of the Premises in accordance with such notice and Rent shall be apportioned and paid to the date of surrender and, if a part only of the Premises is surrendered, Rent shall thereafter abate proportionately. If the Landlord shall not exercise the foregoing right of termination or deletion, then the provisions of Section 11.1 shall apply.
- (c) If the Landlord elects to terminate the Lease or delete from the Lease such part of the Premises as are requested to be subject to a Transfer, as the case may be, the Tenant may withdraw its request for consent by notice to the Landlord within five (5) days after the Landlord's notice of election, in which event the Landlord's notice of election shall be null and void and the Tenant shall not proceed with the Transfer for which such consent was requested.

11.3 Continuing Obligations of Tenant

- (a) No Transfer shall release or relieve the Tenant from any of its obligations hereunder.
- (b) No consent by the Landlord to any Transfer shall be construed to mean that the Landlord has consented or will consent to any further Transfer which shall remain subject to the provisions of this Article.

11.4 Dealings by Landlord

The Landlord may sell, transfer, charge, encumber or otherwise deal with the Development or any portion thereof or any interest of the Landlord therein, in every case without the consent of the Tenant, and without restriction. Without limiting the generality of the foregoing, the Landlord can assign its leasing and management responsibilities to a not for profit corporation. To the extent that any purchaser or transferee from the Landlord has become bound by the covenants and obligations of the Landlord under this Lease, the Landlord shall, without further written agreement, be freed and relieved of liability with respect to such covenants and obligations.

11.5 Subordination and Attornment

The Tenant acknowledges that this Lease is, at the option of any Mortgagee, subject and subordinate to any and all ground leases, mortgages or charges (including deeds of trust and mortgage securing bonds, all indentures supplemental thereto or any other instruments of financing, refinancing or collateral financing) which may now or hereafter affect the Development, or any part thereof, and to all renewals, modifications, consolidations, replacements and extensions thereof. The Tenant agrees to execute promptly any certificate or instrument in confirmation of such subordination and will, if requested, attorn to such Mortgagee and the Tenant hereby constitutes the Landlord its agent and attorney for the purpose of executing any such certificate or instrument.

ARTICLE 12 ESTOPPEL CERTIFICATES, REGISTRATION

12.1 Estoppel Certificates

Each of the Landlord and the Tenant agrees that it will at any time and from time to time upon not less than ten (10) days' notice, execute and deliver to the other (and, if required, to any prospective purchaser or Mortgagee of the Development or part thereof) a certificate in writing as to the status at that time of this Lease, including as to whether 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 amount of the Rent then being paid hereunder, the dates on which the same, by instalments or otherwise, and other charges hereunder, have been paid, whether or not there is any existing default on the part of the other of which it has notice, and any other matters pertaining to this Lease as to which the other shall request a statement.

If any such certificate requested by the Landlord is not returned to the Landlord within ten (10) days after its request therefor, the Landlord shall have the right and is hereby appointed by the Tenant as its agent and attorney to prepare and execute such certificate.

12.2 Registration on Title

Neither the Tenant nor anyone on the Tenant's behalf or claiming under the Tenant (including any Transferee) shall register this Lease or any Transfer against the Lands. The Tenant may at its sole cost, register a notice or caveat of this Lease provided that: (a) a copy of the Lease is not attached; (b) no financial terms are disclosed; (c) the Landlord gives its prior written approval to the notice or caveat; and (d) the Tenant pays the Landlord's costs on account of the matter. The Landlord may limit such registration to one or more parts of the Lands. Upon the expiration or other termination of the Term the Tenant shall within thirty (30) days discharge or otherwise vacate any such notice or caveat at Tenant's sole cost, failing which, upon the expiration of the deadline as aforementioned, the Landlord shall have the right and is hereby appointed by the Tenant as its agent and attorney to prepare, execute and register such documentation as is required to discharge and withdraw any such registration. If any part of the Lands which, in the opinion of the Landlord are surplus, is transferred, the Tenant shall forthwith at the request of the Landlord discharge or otherwise vacate any such notice or caveat as it relates to such part. If any part of the Lands are made subject to any easement, right-of-way or similar right, the Tenant at its sole cost shall immediately at the request of the Landlord, which request the Landlord may make in its sole discretion, postpone its registered interest to such easement, right-of-way or similar right.

ARTICLE 13 UNAVOIDABLE DELAYS

13.1 Unavoidable Delays

Whenever and to the extent that either the Landlord or the Tenant is unable to fulfill, or is delayed or restricted in the fulfilment of, any obligation hereunder in respect of the supply or provision of any service or utility or the doing of any work or the making of any repairs, by reason of being unable to obtain the material, goods, equipment, service, utility or labour required to enable it to fulfill such obligation, or by reason of any statute, law, by 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 legislative, administrative or judicial body, controller or board, or any governmental department or any governmental officer or other authority having jurisdiction, or by reason of its inability to procure any licence or permit required therefor, or by reason of not being able to obtain any permission or authority required therefor, or by reason of Health Emergency (as defined herein), or by reason of any strikes, lockouts, slow-downs or other combined action of workmen, or shortages of material, or any other cause beyond its control, other than any insolvency, lack of funds or other financial cause of delay (each of the foregoing being an incident of "**Unavoidable Delay**"), the Landlord or the Tenant, as the case may be, shall be temporarily relieved from the fulfilment of such obligation for so long as such cause continues provided always that (except as may be expressly provided in this Lease) the Tenant shall not be entitled to any compensation for any inconvenience, or nuisance or discomfort thereby occasioned, or to cancel or terminate this Lease or to any deferral or abatement of Rent.

For the avoidance of doubt, the Landlord shall not be in breach of quiet enjoyment pursuant to Section 2.2 of this Lease and shall be deemed to be operating the Development in accordance with its obligations under this Lease if the Landlord determines, at any time and from time to time, in its sole and unfettered discretion, that it is in the best interests of the Development to shut down any part or all of the Development based upon the recommendations of its consultants or the governmental authorities. Whether or not such a shutdown is an Unavoidable Delay event pursuant

to this Section 13.1 of this Lease, Tenant shall continue to pay Rent without deduction, abatement or set-off, in accordance with this Lease.

Notwithstanding anything to the contrary herein contained, the Landlord shall also be excused from the performance of any term, covenant or act required hereunder if the performance of such item would be in conflict with any directive, or policy of any governmental authority or quasi-governmental authority having jurisdiction over the Premises in respect of any energy, conservation, health, safety or security matter.

ARTICLE 14 LANDLORD'S ACCESS TO PREMISES

14.1 Access

The Tenant shall permit the Landlord and each of its agents and others authorized by it, to enter the Premises to inspect, to provide services or to make repairs, replacements, changes or alterations as set out in this Lease, to take such steps as the Landlord may deem necessary for the safety, improvement, alteration or preservation of the Premises or the [●] Building and to show the Premises to Mortgagees, prospective Mortgagees, purchasers and prospective purchasers and, during the last twelve (12) months of the Term, to prospective tenants, and no such entry shall constitute a re-entry by either the Landlord or an eviction or entitle the Tenant to any abatement of Rent. However, in effecting such entry the Landlord shall use reasonable efforts to minimize interference with the Tenant's use and enjoyment of the Premises, and the Landlord shall endeavour to give the Tenant at least twenty-four (24) hours' prior notice before doing any repair or maintenance work (other than in the case of an emergency or apprehended emergency).

14.2 Right to Exhibit Premises

The Landlord and its authorized agents and employees shall have the right to exhibit the Premises to prospective tenants at all reasonable hours during the last twelve (12) months of the Term. The Landlord and its authorized agents and employees shall also have the right to enter upon the Premises at all reasonable hours during the Term for the purpose of exhibiting the [●] Building or the Development to any prospective purchaser or mortgagee thereof.

14.3 Health Emergency

- (a) If a Health Emergency (as defined herein) exists, the Landlord may amend, supplement or otherwise enforce any existing Health Emergency rules or regulations in existence, may impose additional Rules and Regulations, and may impose restrictions to mitigate or minimize the effects of the Health Emergency. Without limiting the generality of the foregoing: (a) during a Health Emergency, the Landlord shall be entitled to restrict or limit access to the Development, including the Premises, to employees of the Tenant only, and/or to prohibit entry by visitors or invitees for a reasonable period of time during such event, and/or specify specific modes of ingress and egress; (b) the Landlord shall have the right during a Health Emergency to require the Tenant to decontaminate all or any part of the Premises, failing which the Landlord shall be entitled to enter the Premises and do so at the Tenant's expense, any steps that the Landlord may choose to take are in its sole and unfettered discretion, and such entry shall not be a re-entry, nor a contravention of the Tenant's quiet enjoyment, however nothing herein shall obligate the Landlord to effect any such decontamination; and (c) the Landlord shall be entitled during a Health Emergency to close all or any part of the Development if it determines that it is not safe to continue to operate the Development, or any part thereof.
- (b) The Tenant shall immediately upon becoming aware of same, inform the Landlord of any outbreak of an infectious disease amongst its employees, volunteers, visitors, or those for which it is responsible for at law, where such outbreak may impact the health and/or safety of other occupants of the Development, or may lead to a Health Emergency.
- (c) For the purposes of this Lease, "**Health Emergency**" means a situation in which the Landlord determines, based on advice from a medical professional, or a directive, bulletin, notice or other form of communication from a public health authority, that occupants, tenants, invitees or contractors working in the Development, or any part thereof, are or may be exposed to imminent danger from a disease, virus or other biological or physical agents

that may be detrimental to human health including, by way of example only and without limitation, SARS, Avian Flu (H5N1) and COVID-19.

ARTICLE 15 DEFAULT

15.1 Events of Default

Each of the following shall be an Event of Default of the Tenant:

- (a) whenever the Tenant defaults in the payment of any Rent and such default continues for five (5) days after notice to the Tenant; or
- (b) whenever the Tenant defaults in the performance of any of its other obligations hereunder and such default can be remedied by the Tenant but is not remedied within a reasonable period of time following notice by the Landlord; or
- (c) whenever the Tenant defaults in the performance of any of its other obligations hereunder and such default cannot be remedied by the Tenant; or
- (d) if steps are taken or proceedings are instituted for the dissolution, winding up or other termination of the Tenant's existence or for the liquidation of its assets;
- (e) if the Tenant makes or attempts to make a bulk sale of any of its assets regardless of where they are situated (except for a bulk sale made to a Transferee when the Transfer has been consented to by the Landlord); or
- (f) if the Premises or a substantial part thereof are abandoned or become vacant or not used or occupied while capable of use and occupancy, and remain so for a period of fifteen (15) days (which does not include temporary vacancy or non-use for a longer period when necessary to accommodate the carrying out of renovations in the Premises or a change in use of the Premises), or if the Premises are used by any other Person or Persons other than the Tenant or for any other purpose than that for which the same were let, in each case without the prior written consent of the Landlord.

15.2 Remedies by Landlord

Upon any Event of Default of the Tenant, in addition to any remedy which the Landlord may have by this Lease or at law or in equity, the Landlord may, at its option:

- (a) provide, by notice to the Tenant, that the current month's Rent and Rent for the next ensuing three (3) months shall thereupon become immediately due and payable; and/or
- (b) re-enter and take possession of the Premises and thereby terminate this Lease; and/or
- (c) enter the Premises as agent of the Tenant, either by force or otherwise, without being liable for any prosecution therefor, and without being deemed to have terminated this Lease, and relet the Premises or any part thereof as the agent of the Tenant, and receive the rent therefor to be applied on account of the Rent; and/or
- (d) exercise its right of distress and the Tenant hereby waives any present or future limitation on the Landlord's right of distress; and/or
- (e) suspend the supply to the Premises of any benefit, service, utility or Additional Service furnished by the Landlord until the default is cured.

15.3 Additional Self-help Remedy of Landlord

In addition to all other remedies the Landlord may have by this Lease, at law or in equity, if the Tenant does not perform any of its obligations hereunder, the Landlord may, at its option, perform any of such obligations, after five (5) days' notice to the Tenant or in the event of an emergency without notice, and in such event the cost of performing any of such obligations plus an administrative charge of fifteen percent (15%) of such cost shall be payable by the Tenant to the

Landlord forthwith on demand together with interest at the Rate of Interest from the date of the performance of any of such obligations by the Landlord to the date of payment by the Tenant.

15.4 Legal Costs

The Tenant hereby agrees to pay to the Landlord, within five (5) days after demand, all legal fees, on a solicitor and their own client basis, incurred by the Landlord for the enforcement of any rights of the Landlord under this Lease or in the enforcement of any of the provisions of this Lease or in the obtaining of possession of the Premises or for the collection of any monies from the Tenant or for any advice with respect to any other matter related to this Lease.

15.5 Remedies Cumulative

The Landlord may from time to time resort to any or all of the rights and remedies available to it in the event of any default hereunder by the Tenant, either by any provision of this Lease, or by statute, or at law or in equity, all of which rights and remedies are intended to be cumulative and not alternative, and the express provisions hereunder as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Landlord at law or in equity.

15.6 Non-Waiver

Any condoning, excusing or overlooking by either the Landlord or the Tenant of any default by the other at any time or times in respect of any obligation of the other herein shall not operate as a waiver of the non-defaulting party's rights hereunder in respect of such default or so as to defeat or affect in any way the rights of the non-defaulting party in respect of any such continuing or subsequent default by the defaulting party. No waiver shall be implied by anything done or omitted by a party. Any waiver of a particular default shall not operate as a waiver of any subsequent or continuing default.

ARTICLE 16 RELOCATION, DEMOLITION AND EXPROPRIATION

16.1 Relocation of Premises

[NTD: Modify as necessary]

The Landlord shall have the right at any time upon sixty (60) days' written notice to relocate the Tenant to other premises in the Development (the "**Relocated Premises**") and the following terms and conditions shall be applicable:

- (a) the Relocated Premises shall contain approximately the same as, or greater rentable area than, the Premises;
- (b) the Landlord shall provide at its expense leasehold improvements in the Relocated Premises similar, but of no lesser value than the standards of the Leasehold Improvements in the Premises;
- (c) the Landlord shall pay for direct, out of pocket costs, and reasonable moving costs (if any) of the relocation to the Relocated Premises but not indirect or consequential costs (including, without limitation, overhead or overtime charges or lost profits or losses, claims, actions, damages or liability sustained or incurred by the Tenant as a result of any such relocation);
- (d) Rent for the Relocated Premises shall be no greater than the Rent for the Premises, notwithstanding that the Relocated Premises may contain a greater Rentable Area;
- (e) all other terms and conditions of this Lease shall apply to the Relocated Premises except as are inconsistent with the terms and conditions of this paragraph.

16.2 Landlord's Demolition Rights

Despite any other provisions of this Lease, if the Landlord intends to demolish or renovate substantially the ● Building or a substantial portion thereof, the Landlord may terminate this

Lease on not less than one hundred eighty (180) days' notice to the Tenant. The Tenant shall on the date set out in the notice from the Landlord vacate the Premises in accordance with the terms of this Lease. Also on such date, the Term shall cease and be at an end and the Rent and all other payments for which the Tenant is liable under the terms of this Lease shall be apportioned and paid in full to the date of termination.

16.3 Expropriation

The Landlord and the Tenant shall co-operate in respect of any expropriation of all or any part of the Premises, the [●] Building or the Development so that each party may receive the maximum award to which it is entitled in law. If the whole or any part of the Premises, the [●] Building or the Development are expropriated, as between the parties hereto, their respective rights and obligations under this Lease shall continue until the day on which the expropriating authority takes possession thereof. If, in the case of partial expropriation of the Premises, this Lease is not frustrated by operation of governing law and such expropriation does not render the remaining part of the Premises untenable for the purposes of this Lease, the Tenant and the Landlord shall restore the part not so taken in accordance with their respective repair obligations under this Lease, including Sections 9.1 and 9.2 of this Lease. In this Section, the word "expropriation" shall include a sale by the Landlord to any authority with powers of expropriation, in lieu of or under threat of expropriation.

ARTICLE 17 CONFIDENTIALITY

17.1 Confidentiality

Except as hereinafter specifically provided and except as permitted by Section 12.2, all information regarding the terms and conditions as herein contained shall be in confidence by the Tenant, and the Tenant shall take all reasonable precautions to prevent any such terms and conditions being divulged to third Persons, including its officers and employees not having a legitimate need thereof. The following information shall not be considered confidential:

- (a) information presently in the public domain;
- (b) information which hereinafter becomes part of the public domain except as a result of the acts or omissions of the Tenant;
- (c) information which the Landlord agrees in writing may be disclosed; or,
- (d) information disclosed pursuant to any judicial order.

ARTICLE 18 PARKING

[NTD: Modify as necessary]

18.1 Licence for Parking

- (a) During the Term, the Landlord shall make available for the Tenant up to [●] ([●]) parking spaces on an unreserved basis (the "Tenant's Maximum Allocation") to be located in the Parking Facilities **[NTD: Confirm whether parking is outside or inside]** for automobile parking. The monthly cost per parking space of the Tenant's Maximum Allocation shall be the posted monthly parking rate subject to reasonable increases in the posted rate per parking space based on the then current market rates for similar indoor parking facilities. The monthly parking rates are payable in advance.
- (b) Ten (10) Business Days prior to the Commencement Date, the Tenant shall advise the Landlord in writing how many parking spaces of the Tenant's Maximum Allocation the Tenant requires for the duration of the Term, after which time, the Tenant shall immediately surrender to the Landlord the remainder of the unused parking spaces of the Tenant's Maximum Allocation and any additional parking spaces required by the Tenant (to a limit of the Tenant's Maximum Allocation) shall be subject to availability. The Tenant reserves the right to surrender back to the Landlord at any time and from time to time

during the Term, without penalty, any or all of its parking spaces upon thirty (30) days' notice to the Landlord.

- (c) The Tenant hereby acknowledges that any Rentable Area leased by the Tenant for storage and ancillary equipment, if applicable, shall not be included in the calculation of the Tenant's entitlement to parking spaces.
- (d) The Tenant agrees to comply with the parking rules governing the use of the Parking Facilities as may be established from time to time by the Landlord or the operator of the Parking Facilities (the "**Parking Rules**") and of which notice has been given to the Tenant or of which notice has been posted in the Parking Facilities. [NTD: Modify as necessary.]
- (e) The Tenant agrees to indemnify the Landlord and the operator of the Parking Facilities against all liability, claims, damages or expenses due to or arising out of any act, omission or neglect by the Tenant or those for whom it is at law responsible in or about the Parking Facilities or due to or arising out of any breach by the Tenant of the provisions of the Parking Rules.
- (f) Neither the Landlord nor the operator of the Parking Facilities [NTD: Modify as necessary-confirm whether there is an operator of the Parking Facilities] shall be liable for any loss, injury or damage caused to Persons using the Parking Facilities or to automobiles or their contents or any other property thereon, however caused, and the Tenant agrees that such vehicles, contents and property shall be in the Parking Facilities at the sole risk of the Tenant and agrees to indemnify the Landlord and the operator of the Parking Facilities against all claims, damages or expenses due to or arising out of the foregoing.
- (g) The Landlord may, on reasonable notice to the Tenant, terminate this licence in whole or in part if the number of parking spaces in the Parking Facilities is to be reduced, either temporarily or permanently. In case of such reduction, the Landlord will use reasonable efforts to locate, for leasing or licensing by the Tenant, alternative parking spaces in the vicinity of the Development but shall otherwise have no obligations to the Tenant with respect to such reduction in parking spaces.

ARTICLE 19 GENERAL PROVISIONS

19.1 Entire Agreement

This Lease contains the entire agreement between the parties with respect to the subject matter of this Lease and there are no other agreements, promises or understandings, oral or written, between the parties in respect of this subject matter. This Lease may be amended only by written agreement between the Landlord and the Tenant. No electronic communications between the parties will have the effect of amending this Lease. No provisions of this Lease shall be deemed to have been waived by the Landlord or the Tenant unless such waiver is in writing signed by the party. If the Landlord excuses or condones any default of any obligation under this Lease, no waiver of such obligation shall be implied in respect of any continuing or subsequent default. The Landlord's receipt of Rent with knowledge of a breach shall not be deemed a waiver of any breach.

19.2 Schedules and Interpretation

The Schedules to this Lease form a part of this Lease. In the event of a contradiction between the provisions contained in the body of the Lease and the Schedules, the provisions contained in the Schedules shall prevail. Some of the provisions of Articles 1 to 19 inclusive of this Lease may be modified by provisions contained in Article 20 of this Lease. In the event of a contradiction between the provisions contained in Articles 1 to 19 and those contained in Article 20, the provisions contained at Article 20 shall prevail.

19.3 Planning Act

This Lease is subject to compliance, if necessary, with the *Planning Act* of Ontario.

19.4 Survival of Obligations

Any obligation of a party which is unfulfilled on the termination of this Lease shall survive until fulfilled.

19.5 No Partnership

Nothing contained herein shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.

19.6 Captions

The captions for Articles and Sections of this Lease are for convenience only and are not to be considered a part of this Lease and do not in any way limit or amplify the terms and provisions of this Lease.

19.7 Landlord's Agent

The Landlord may perform any of its obligations or exercise any of its rights hereunder through such agency as it may from time to time determine and the Tenant shall, as from time to time directed by the Landlord, pay to any such agent any moneys payable hereunder to the Landlord.

19.8 Successors and Assigns

This Lease and everything herein contained shall extend to and bind the successors and assigns of the Landlord and the legal representatives, heirs, executors, administrators, successors and permitted assigns of the Tenant (as the case may be).

19.9 Accounting Principles

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

19.10 Other Leases in Building

[NTD: Modify as necessary]

If the Tenant leases any other space in the [●] Building or Development pursuant to any other lease or leases, any default under this Lease shall constitute a default under each of such other lease or leases and any default under each of such other lease or leases shall constitute a default under this Lease enabling the Landlord to exercise any of its remedies hereunder or thereunder.

19.11 Notices and Consents, etc.

Any notice or consent (including any invoice, statement or request or other communication) herein required or permitted to be given by either party to the other shall be in writing and shall be delivered or sent by registered mail (except during a postal disruption or threatened postal disruption), e-mail or other means of prepaid recorded communication to the applicable address set forth below:

(a) in the case of the Landlord, to:

The Municipality of North Grenville
County Road 44, P.O. Box 130
Kemptonville, Ontario, K0G 1J0

E-mail: gdyke@northgrenville.on.ca
Attention: Gary Dyke

(b) in the case of the Tenant, to the Premises.

E-mail: [insert]

Attention: [insert]

Any notice delivered shall be deemed to have been validly and effectively given on the day of such delivery if delivered during Business Hours on a Business Day and otherwise on the first Business Day following the date of delivery. Any notice sent by registered mail shall be deemed to have been validly and effectively given on the third Business Day following the date of mailing. Any notice sent by e-mail or other means of prepaid recorded communication shall be deemed to have been validly and effectively given if successfully transmitted prior to 5:00 p.m. on a Business Day and otherwise on the first Business Day following successful transmission.

Either party may from time to time by notice to the other change its address for service hereunder provided that such address shall be in the Municipality of North Grenville.

19.12 No Consent During Default

It shall not be unreasonable for the Landlord to withhold its consent at any time when the Tenant is in default hereunder.

19.13 Further Assurances

Each party agrees to make such further assurances as may be reasonably required from time to time by the other to more fully implement the true intent of this Lease.

19.14 Acceptance and Application of Rent

Any endorsement, statement, condition, direction or other communication on or accompanying any Rent payment shall not be binding on the Landlord and the acceptance of any such payment shall be without prejudice to the Landlord's right to recover the balance of Rent then owing or to pursue any other remedy available to the Landlord. Any payment received by the Landlord may be applied towards amounts then outstanding under this Lease in such manner as the Landlord determines.

19.15 General Rules of Interpretation

- (a) Obligations as Covenants: Each obligation of the Landlord and the Tenant in this Lease shall be considered a covenant for all purposes.
- (b) Time: Time is of the essence of this Lease.
- (c) Number, Gender: The grammatical changes required to make the provisions of this Lease apply in the plural sense where the Tenant comprises more than one Person and to individuals (male or female), partnerships, corporations, trusts or trustees will be assumed as though in each case fully expressed.
- (d) Liability of Tenant: If the Tenant consists of more than one Person, the covenants of the Tenant shall be joint and several covenants of each such Person. If the Tenant is a partnership, each Person who is presently a partner of the partnership and each Person who becomes a member of any successor partnership shall be and continue to be bound jointly and severally for the performance of and shall be and continue to be subject to all of the terms, obligations and conditions of this Lease, whether or not such Person ceases to be a member of such partnership or successor partnership and whether or not such partnership continues to exist.
- (e) Governing Law: This Lease shall be governed by and construed under the laws of the Province of Ontario and the parties attorn and submit to the jurisdiction of the courts of such jurisdiction.
- (f) Headings: The headings of the Articles and Sections are included for convenience only, and shall have no effect upon the construction or interpretation of this Lease.
- (g) Landlord as Trustee: Any and all exculpatory provisions, releases and indemnities included in this Lease for the benefit of the Landlord are intended also to benefit the Mortgagees, any owner or lessor with an interest in the Development and/or the [●] Building prior to the Landlord, property managers of the Landlord, and the officers, directors, shareholders, employees, agents of each one of them and, for the purposes of such provisions, the

Landlord is acting as agent or trustee on behalf of and for the benefit of the Persons mentioned above.

- (h) Severability: Should any provision of this Lease be or become invalid, void, illegal or not enforceable, such provision shall be considered separate and severable from this Lease and the remaining provisions shall remain in force and be binding upon the parties hereto as though such provision had not been included.

ARTICLE 20 SPECIAL PROVISIONS

20.1 Option to Extend

- (a) If the Tenant is (i) not in material default under the terms of this Lease throughout the Term and (ii) in occupation of the whole of the Premises, the Tenant shall have the option exercisable upon no less than nine (9) months written notice to the Landlord prior to the expiry of the Term to extend the Term of the Lease for [●] ([●]) further period[s] of [●] ([●]) year[s] (“**Extended Term**”) upon the same terms and conditions as contained herein, save and except:
- (i) there will be no further right to extend the Term;
 - (ii) the Basic Rent for the Extended Term shall be the then fair market rental rate per square foot per annum (as at the date of the Tenant’s notice) for comparable premises located in the [●] Building and in comparable buildings in the vicinity of the [●] Building and leased for the same period as the Extended Term and shall be no less than the rate for the final year of the Term;
 - (iii) there shall be no leasehold improvement allowance, rent free period or other inducements;
 - (iv) if required by the Landlord, the parties shall execute a commercially reasonable Lease Extension Agreement prepared by the Landlord to reflect the terms of the Extended Term.
 - (v) Tenant shall pay to the Landlord all costs and disbursements (including, without limitation, all consulting and legal costs on a solicitor and own client basis) arising from or in connection with Tenant exercising its right under this Section 20.1 (including, without limitation any cost associated with the drafting of any Lease Extension Agreement and/or any Amendment Agreement).
- (b) If the parties are unable to agree on the Basic Rent for the Extended Term on or before the date that is three (3) month prior to the expiration of the Term, then the Basic Rent shall be determined by arbitration before a sole arbitrator in accordance with Schedule “E” hereto. The cost of the arbitrator shall be borne equally by both parties.

20.2 Landlord’s Work

- (a) The Landlord shall, at the Landlord’s sole cost and expense, use commercially reasonable efforts to commence the Landlord’s Work outlined in Schedule “I” on or before [●].
- (b) The Landlord shall notify the Tenant of the date when the Landlord’s Work is substantially complete and the Premises are ready for occupancy by the Tenant.

20.3 Fixturing Period

- (a) The “**Fixturing Period**” means the period of [●] days after the date of delivery of possession of the Premises to the Tenant, which date shall be established by the Landlord by written notice to the Tenant specifying the date upon which the Premises are or will be sufficiently completed to permit the commencement of construction of the Tenant’s Work (the “**Possession Date**”). The Landlord currently estimates that it shall provide possession of the Premises to the Tenant on or about [●]. The Tenant shall during the Fixturing Period construct or cause to be constructed and completed the Tenant’s Work in a manner satisfactory to the Landlord and in accordance with the plans and specifications approved

by the Landlord. The Tenant shall not commence construction of any Tenant's Work until all plans, specifications for the Tenant's Work are approved by the Landlord and the Tenant has obtained all necessary permits for the Tenant's Work under all Applicable Laws.

- (b) During the Fixturing Period and during any period of time prior to the Commencement Date in which the Tenant is permitted by the Landlord to have occupancy of the Premises, whether exclusively or in common with the Landlord, its contractors, sub-contractors or employees, the Tenant shall be bound by all the provisions of this Lease except the Tenant shall not, during the Fixturing Period, be required to pay (i) Basic Rent, (ii) the Tenant's Proportionate Share of Property Taxes, or (iii) the Tenant's Proportionate Share of the Operating Costs. However, notwithstanding the foregoing, the Tenant shall, during the Fixturing Period, be obligated to pay for all utilities consumed at the Premises, and the costs of all garbage removal from the Premises.
- (c) The Tenant or its contractors or agents shall not be entitled to possession of the Premises to commence the Tenant's Work until:
 - (i) this Lease (and all applicable schedules thereto) have been executed and delivered by the parties thereto in a form acceptable to the Landlord and there is not then any default by the Tenant under the Lease;
 - (ii) the Landlord notifies the Tenant that the Landlord has approved the Tenant's plans and specifications for the Tenant's Work, and the Landlord notifies the Tenant that the Premises are available for commencement of the Tenant's Work;
 - (iii) the Tenant and its contractors have provided the Landlord with certificates of insurance verifying it has complied with the insurance requirements under this Lease; and
 - (iv) [If there is a Deposit, consider adding the following: the Landlord has received from the Tenant the Deposit].

20.4 Delay in Possession

The Landlord shall not be liable for failure to give possession of the Premises on the Commencement Date of the Term of this Lease by reason of the fact that the Premises are not ready for occupancy, or due to a prior tenant wrongfully holding over or any other Person wrongfully occupying the Premises for any other reason. In such event, payment of rent and other charges under this Lease shall not commence until the day that possession is given or is available and the Commencement Date of the Term shall be postponed until that day. The expiry date of the term shall also be postponed so that the length of the Term remains as provided for in Section 3.4 hereof. If the Tenant shall occupy the Premises or any part thereof prior to the Commencement Date of the Term, such occupancy shall be deemed to have been subject to this Lease and the Rent for the period of said occupancy shall be at the rate herein provided and shall be due and payable as at the date of occupancy on a per diem basis.

20.5 Tenant Allowance

The Landlord shall provide the Tenant with a tenant improvement allowance in the amount of [\$●] per square foot of Gross Rentable Area of the Premises (the "**Tenant Allowance**") for the purpose of reimbursing the Tenant for a portion of its out of pocket costs in completing the Tenant's Work, such payment to be made within ten (10) days after the satisfaction of all of the following conditions:

- (a) the Tenant has taken possession of the Premises and opened for business to the public in the whole of the Premises for the specifically permitted use in Section 7.1 of this Lease;
- (b) the Landlord has received from the Tenant, if required by the city or local government in which the Development is located, an occupancy permit allowing the Tenant to conduct its business within the Premises;
- (c) the Landlord has received from the Tenant a statutory declaration of an officer of the Tenant, executed no less than sixty (60) days after the completion of the

Tenant's Work, certifying that the Tenant has paid all accounts owing with respect to the Tenant's Work, that no Person is entitled to claim a lien against the title to the Lands with respect to any of the Tenant's Work and that the statutory holdback period under the applicable builders' lien legislation has expired;

- (d) any lien that may have been filed against the Development or Lands with respect to the Tenant's Work has been discharged;
- (e) this Lease has been executed and delivered by the Landlord and the Tenant;
- (f) no Event of Default exists under this Lease;
- (g) the Landlord has received from the Tenant duly receipted invoices and other proof satisfactory to the Landlord evidencing the actual out of pocket expenses incurred by the Tenant in performing the Tenant's Work (the "Tenant's Actual Costs"); and
- (h) the Landlord has received a letter from the Tenant requesting the payment of the Tenant Allowance, confirming that all of the other conditions in paragraphs (a) to (g) above have been satisfied, it being agreed that the Tenant shall not be entitled to give such letter to the Landlord until such time as all of the other conditions in paragraphs (a) to (g) above have been fully satisfied.

Notwithstanding the foregoing:

- (i) if any of the conditions set out in paragraphs (a) to (h) above are not satisfied within one (1) year from the Commencement Date, then the Landlord shall have no obligation whatsoever to pay to, or credit the Tenant for, the Tenant Allowance or any part thereof and the Tenant shall have no right whatsoever to receive payment of, or any credit for, the Tenant Allowance or any part thereof;
- (ii) the Landlord shall have no obligation whatsoever to pay to, or credit the Tenant for, any portion of the Tenant Allowance in excess of the Tenant's Actual Costs and the Tenant shall have no right whatsoever to receive payment of, or any credit for, any portion of the Tenant Allowance in excess of the Tenant's Actual Costs;
- (iii) if an Event of Default occurs and is not cured within the respective time (if any) permitted under this Lease, then, in addition to any other rights and remedies that the Landlord may have under this Lease or at law, the Tenant shall forthwith repay the Tenant Allowance to the Landlord as Additional Rent; or
- (iv) if the Tenant elects to terminate this Lease pursuant to Section 15.2, then the Tenant shall forthwith repay the Tenant Allowance to the Landlord as Additional Rent.

20.6 Basic Rent Free Period

Provided the Tenant is not in default of this Lease, the Tenant shall not be required to pay Basic Rent for a period of [●] months commencing on the Commencement Date (the "**Basic Rent Free Period**"). For greater certainty, the Tenant shall pay all other amounts payable pursuant to this Lease during the Basic Rent Free Period, including without limitation all Additional Rent. The Basic Rent Free Period shall apply only during the initial Term of this Lease and the Tenant acknowledges and agrees that it shall not be entitled to any rent free periods during any renewal of this Lease or extension of the Term. Notwithstanding the foregoing, if there is an Event of Default by the Tenant under this Lease at any time during the Term, then the entire Basic Rent otherwise due and payable for the Basic Rent Free Period shall become immediately due and payable by the Tenant.

20.7 Deposits

On or before the Commencement Date, the Tenant shall deposit with the Landlord an amount of \$[●] (the “**Deposit**”), to be applied by the Landlord against first months Basic Rent payable by the Tenant hereunder. The amount of the Deposit thereafter remaining (the “**Security Deposit**”) shall be held by the Landlord as security for the performance and observance by the Tenant of all of the terms, conditions, provisos, covenants and agreements in this Lease to be performed or observed by the Tenant. At any time upon or after the occurrence of an Event of Default, the Landlord may use, apply or retain, all or any portion of the Security Deposit for the payment of any Rent in default, or for the payment of any other expense which the Landlord may incur by reason of the Event of Default, or to compensate the Landlord for any loss or damage which the Landlord may suffer thereby, and such appropriation and application will be without prejudice to the Landlord’s right to pursue any other remedy contained in this Lease or at law or in equity. If the Landlord so uses or applies all or any portion of the Security Deposit, the Tenant shall within five (5) days after demand therefor deposit funds with the Landlord in an amount sufficient to restore the Security Deposit to the full amount originally deposited with the Landlord. The Landlord shall not be required to keep the Security Deposit separate from its general accounts. If the Tenant has observed and performed all of the terms, conditions, provisos, covenants and agreements in this Lease to be observed or performed by the Tenant hereunder and no Event of Default exists, the Security Deposit, or so much thereof as has not previously been used, applied or retained by the Landlord under this Section, shall be returned, without payment of interest or other compensation for its use, to the Tenant at the expiration of the Term (or any renewal term), and after the Tenant has vacated the Premises and delivered possession thereof to the Landlord in the condition required under this Lease. No trust relationship is created herein between the Landlord and the Tenant with respect to the Security Deposit.

20.8 Indemnity

The Indemnifier covenants to execute the Indemnity form set out in Schedule G and agrees to be bound by all obligations set out in the said form.

IN WITNESS WHEREOF the parties hereto have duly executed this Lease as of the date first above written.

**CORPORATION OF THE
MUNICIPALITY OF NORTH
GRENVILLE
LANDLORD**

Per: _____
Name:
Title:

Per: _____
Name:
Title:

We have authority to bind the Corporation.

**[Insert]
TENANT**

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have authority to bind the Corporation.

**[Insert]
INDEMNIFIER**

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have authority to bind the Corporation.

**SCHEDULE A
LANDS**

PIN 68122-0281

PART LOTS 24 TO 27 CONCESSION 4 OXFORD; PART ROAD ALLOWANCE BETWEEN LOT 25 AND LOT 26 CONCESSION 4 OXFORD CLOSED BY PR21936; S/T OF10186, OF10680, OF9970, OF9976; SUBJECT TO AN EASEMENT IN FAVOUR OF PART LOT 27 CONCESSION 4 OXFORD PART 1 15R11917 AS IN GC52406; TOGETHER WITH AN EASEMENT OVER PART LOT 27 CONCESSION 4 OXFORD PART 1 15R11917 AS IN GC52407; MUNICIPALITY OF NORTH GRENVILLE

DRAFT

**SCHEDULE B
DEFINITION OF OPERATING COSTS**

1. Inclusions

“Operating Costs” mean the aggregate of all of the Landlord’s expenses, costs and charges of every kind, whether direct or indirect, paid, payable or incurred by or on behalf of the Landlord in respect of the operation, maintenance, repair, insurance, administration and supervision of the Development including the Common Areas and the Common Use Equipment. Such expenses, costs and charges include, without limitation or duplication:

- (a) the cost of providing the operation, maintenance, repair, administration and supervision of the Development, including, without limitation, wages, salaries, pension plans, group benefits, unemployment insurance expenses and other compensation for employees, agents or contractors of the Landlord performing services rendered in connection therewith and a building manager and other supervisory personnel, including in the alternative the reasonable costs of a third party property manager, in each case whether on or off site, elevator operators, porters, cleaners and other janitorial staff, watchmen and other security personnel, carpenters, and other trades, engineers and all other maintenance personnel; **[NTD: Modify as necessary]**
- (b) the cost of repairs to, and maintenance of, the Development, (excluding the remedying of structural or other construction inadequacies or replacements or reconstructions properly chargeable to capital account) and the cost of supplies and equipment used in connection therewith, including, without limitation, the cost of repairs and maintenance to the IT Infrastructure servicing the Development (not including the Campus Information Technology Infrastructure Fee);
- (c) the annual amortization including interest on the unamortized amount, (on a straight line basis over the useful life or such other period as reasonably determined by the Landlord) of the capital cost of:
 - 1. any modifications, replacements or additions to the Development and/or the machinery, equipment, systems, property and facilities therein and thereon, where in the reasonable opinion of the Landlord such modifications, replacements or additions:
 - (i) are required;
 - (ii) may reduce Operating Costs;
 - (iii) may result in energy savings; or
 - (iv) may result in increased security;
 - 2. any additional equipment, modifications or improvements required by legal requirements not in effect at the date of construction of the Development and not to remedy any construction inadequacy or non-compliance with legal requirements in effect at the time of construction; or
 - 3. any additional equipment which, in the Landlord’s reasonable opinion, are for the benefit or safety of users of the Development
- (d) premiums and other charges incurred by the Landlord with respect to insurance on the Development, including, without limitation, fire and “All Risk” perils insurance, public liability and property damage insurance, equipment breakdown insurance, and loss of rental income insurance, elevator liability insurance, workmen’s compensation insurance for the employees specified in Subsection (a) above and other casualties against which the Landlord may reasonably insure provided that if the Landlord shall self-insure, the Landlord shall include a deemed amount equal to the amount that would have been included if the Landlord had placed insurance with a third party;

- (e) costs incurred in connection with inspection, servicing retrofitting and maintenance of elevators, electrical distribution and mechanical equipment serving the Development including the cost of supplies and equipment used in connection therewith;
- (f) cost of providing cleaning, landscaping, snow and ice removal, garbage/waste and recycling collection and removal, and window cleaning of the Development;
- (g) cost of building supplies used by the Landlord in the maintenance, repair and operation of the Development;
- (h) cost of providing water, sewer and service charges, electricity and other utilities and services used in connection with the use and operation of the Development but excluding costs that are Additional Service Costs;
- (i) cost of policing, security, supervision and traffic control;
- (j) unemployment insurance expenses, pension plan, group benefits and any other payments payable in connection with the employment of any of the Persons specified in Subsection (a) above;
- (k) sales and excise taxes on goods and services provided by the Landlord to manage, operate or maintain the Development and its equipment;
- (l) fees and expenses of accountants, lawyers and other professionals pertaining to services performed by them relating to the Development;
- (m) all costs and expenses (including legal and other professional fees) incurred in good faith in verifying the reasonableness of, or in contesting, resisting or appealing, assessments and levies for Property Taxes or business or similar taxes or licence fees charged against the business of the Landlord which pertains to the management, operation and maintenance of the Development;
- (n) costs of telephone, stationery, office supplies and other materials required for routine operation of the Development;
- (o) Sales Taxes payable by the Landlord on the purchase of goods and services included in Operating Costs (excluding any such Sales Taxes as are available to and claimed by the Landlord as a credit in determining the Landlord's net tax liability on account of Sales Taxes but only to the extent that such Sales Taxes are included in Operating Costs);
- (p) that part of Property Taxes which is attributable to space in the Development which would otherwise be rentable if it were not utilized and reasonably needed by the Landlord in connection with the management, operation and maintenance of the Development;
- (q) Property Taxes to the extent attributable to the Lands and/or the Common Areas that are separately assessed and not included as part of the assessed value of premises occupied or to be occupied by tenants (including the Tenant) of the Development (but only if and to the extent that such Property Taxes have not been taken into account by the Landlord in making any attribution or calculation for the purpose of determining the Tenant's contribution to Property Taxes);
- (r) such other direct operating costs, charges and expenditures of a like nature as may be incurred in respect of the proper preservation, protection, maintenance and operation of the Development;
- (s) Capital Tax fairly attributable to the Development;
- (t) a management fee of fifteen percent (15%) of the aggregate of all Operating Costs, but excluding the management fee and Sales Taxes, such management fee being an agreed estimate of the overhead expenses of the Landlord which are not reasonably

capable of being allocated or directly attributed to the operation, maintenance, repair and supervision of the Development.

For greater certainty, the Landlord shall not be obligated to do or undertake any of the actions described in the definition of Operating Costs contained herein except as otherwise specifically required elsewhere in this Lease, and the doing or undertaking by the Landlord of any of the actions described in that definition shall not in any manner whatsoever restrict or limit any of the Tenant's covenants contained in this Lease.

2. Adjustment of Operating Costs

Notwithstanding anything herein contained to the contrary, if at any time during the Term, the Development is not one hundred percent (100%) occupied and operational, the Landlord shall have the right to increase those items of Operating Costs which vary with the extent of the occupancy or use of the rentable premises in the Development (including, without limitation, cleaning costs, supplies, utility costs and garbage removal) to such an amount as, in the reasonable estimation of the Landlord, would have been incurred if the Development were one hundred percent (100%) occupied and operational and the amount of such increase shall be included in Operating Costs.

3. Exclusions

Operating Costs shall exclude:

- (a) costs incurred in leasing premises in the Campus Buildings to other tenants;
- (b) costs of correcting inherent structural defects, or correcting inherent design flaws, in the initial design or construction of the Development or in the construction of additional leasable areas thereto; and
- (c) Costs incurred by the Landlord for the provision of services or work performed solely for the benefit of other tenants or occupants of the Development which would be considered to be Additional Services, if the leases or other agreements for such other tenants contained provisions similar to Section 6.7 herein.

4. Reductions

Costs which are recovered from tenants or others, (such as Additional Service Costs, insurance recoveries and recoveries pursuant to damage or indemnity claims), otherwise than by a general contribution by tenants of shares of Operating Costs, shall, to the extent the expenses pertaining thereto are included in Operating Costs, be applied in reduction of Operating Costs.

5. Separate Allocation of Operating Costs

- (a) If the Landlord incurs costs in the operation of the Development which are incurred on account only of the [●] Building, a specific part of the [●] Building or other specific parts of the Development, the Landlord shall be entitled from time to time to allocate and reallocate some or all of the components of Operating Costs to the various parts of the [●] Building or Development on a reasonable basis.
- (b) Whenever any item of Operating Costs properly relates to a particular tenant or group of tenants in the Development, then the Landlord shall allocate such item of Operating Costs to such tenant or group of tenants. Any amount allocated by the Landlord to the Tenant pursuant to this Section shall be repayable by the Tenant forthwith upon demand.

**SCHEDULE C
RULES AND REGULATIONS**

[Modify as necessary]

1. The sidewalk, entry passages, elevators, fire escapes, common stairways and Common Areas shall not be obstructed by any of the tenants or used by them for any other purpose other than for ingress and egress to and from their respective premises. Tenants will not place or allow to be placed in the [●] Building corridors or public stairways any waste paper, dust, garbage, refuse or anything whatever that would tend to make them unclean or untidy.
2. The skylights and windows that reflect or admit light into passageways and Common Areas of the Development shall not be covered or obstructed by any of the tenants, and no awnings shall be put up, without the written consent of the Landlord.
3. The water closets and other water apparatus shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, ashes or other substances shall be thrown therein. Any damage resulting by misuse shall be borne by the tenant by whom or by whose agents, servants or employees the same is caused (save in respect of Insured Damage). Tenants shall not let the water run unless in actual use, nor shall they deface any part of the Common Areas or the Development.
4. Tenants shall not do or permit anything to be done in their premises or bring or keep anything therein which will in any way increase the risk of fire, or obstruct or interfere with the rights of other tenants, or violate or act at variance with Applicable Laws relating to fires or with the regulations of the Fire Department or the Board of Health.
5. No tenant, its clerks or servants, shall make or commit any improper noises in the [●] Building, lounge about doors or corridors or interfere in any way with other tenants or those having business with them.
6. No tenant or its officers, agents, employees or invitees shall at any time use, bring or keep upon the Premises any flammable, combustible, explosive, foul or noxious fluid, chemical or substance.
7. No tenant shall permit smoking or vaping or the creation of fumes resulting in annoyance or discomfort to other tenants within the Premises, the [●] Building or the Development, except for at designated areas, from time to time established by the Landlord (such smoking and vaping restriction to include, without limitation, the vaping of e-cigarettes, smoking of combustible cigarettes, and the smoking of cannabis/marijuana or controlled substances).
8. Nothing shall be thrown by any tenant, its clerks or servants, out of windows or doors, or down the passages, elevator shafts or skylights of the [●] Building.
9. No birds or animals, except for any service animal, shall be kept in or about the premises of any tenant nor shall any tenant operate, or permit to be operated, any musical or sound producing instrument or device inside or outside the premises of any tenant which may be heard outside such premises. For greater certainty, notwithstanding anything herein contained to the contrary, each tenant shall be responsible for any damage caused to the Premises, the [●] Building and/or the Development by any service animal of the tenant, its employees, agents, invitees, and those for whom said tenant is in law responsible.
10. No one shall use the premises of any tenant for sleeping apartments or residential purposes, or for the storage of personal effects or articles other than those required for business purposes, nor shall the tenant permit any cooking on the premises.
11. The Landlord shall have the right:
 - (a) to require all Persons entering or leaving the [●] Building during such hours as the Landlord may reasonably determine, to identify themselves to a watchperson or security officer by registration or otherwise to establish their right to enter or leave; and

- (b) to exclude or expel any peddler or beggar at any time from any premises or the [●] Building.
12. Any injury or damage caused to the Common Areas or other areas of the [●] Building or heating and other appliances, or to any other tenant or to the premises occupied by any other tenant, by interference with or neglect of the heating appliances, or any other Person or servant subject to it, shall be made good by the tenant in whose premises the neglect, interference or misconduct arose (save in respect of Insured Damage).
 13. It shall be the duty of each tenant to assist and co-operate with the Landlord in preventing injury to such tenant's premises, and premises demised to other tenants.
 14. No inflammable oils or other inflammable, dangerous or explosive materials shall be kept or permitted to be kept in any premises. Nothing shall be placed on the outside of window sills or projections.
 15. Furniture, effects and supplies shall not be taken into or removed from any premises, except at such time and in such manner as may be previously approved by the Landlord.
 16. No bicycles or other vehicles shall be brought within the [●] Building except in the Parking Facilities, and then only in accordance with the Landlord's or Parking Facilities operator's direction.
 17. No propane powered vehicles shall be operated anywhere in the Development by the Tenant, its servants, agents or invitees.
 18. Business machines, filing cabinets, heavy merchandise or other articles liable to overload, injure or destroy any part of the [●] Building shall not be taken into it without the written consent of the Landlord and the Landlord shall in all cases retain the right to prescribe the weight and proper position of all such articles and the ways, means and times and routes for moving them into or out of the [●] Building; the cost of repairing any damage done to the [●] Building by such moving or by keeping any such articles on any premises shall be paid by the tenant causing such damage (save in respect of Insured Damage).
 19. Tenants shall not place any additional lock upon any door of the [●] Building without the written consent of the Landlord (except in the case of vaults or other security areas which the Tenant may reasonably designate).
 20. Tenants shall give the Landlord prompt notice of any accident to or any defect in the plumbing, heating, air conditioning, mechanical or electrical apparatus or any other part of the [●] Building or Development of which the Tenant is aware.
 21. Only Persons authorized by the Landlord, acting reasonably, shall be permitted to deliver or to use the elevators in the [●] Building for the purpose of delivering food or beverages to any premises.
 22. The Tenant shall permit and facilitate the entry of the Landlord, or those designated by it into the Premises for the purpose of inspection, repair and other proper purposes, and shall not obstruct access to main header ducts, janitor and electrical closets and other necessary means of access to mechanical, electrical and other facilities.
 23. The Tenant shall provide the Landlord with a key for the Premises and the current names, addresses and telephone numbers of at least two (2) authorized employees of the Tenant who may be contacted by the Landlord in the event of an emergency relating to the Premises.
 24. The Tenant shall not mark, drill into or in any way deface the walls, ceilings, partitions, floors or other parts of the Premises or Development except in the normal course of decoration of the Premises or for the performance of Tenant's Work, or the installation of Leasehold Improvements or alterations, providing that the Landlord has consented to same.
 25. The parking of cars or bicycles in the Parking Facilities shall be subject to the reasonable regulations of the Landlord or of those operating the same.

26. The lining of all window drapes facing the interior surface of exterior windows shall be subject to the prior approval of the Landlord as to colour and material and a tenant shall not hang and will remove any draperies which in the Landlord's opinion do not conform to any uniform scheme of window coverings established for the [●] Building.
27. In order to maintain the high character and uniqueness of the Development, the Landlord shall have the absolute right to designate the kind, type and colour of any interior drapes or wall coverings or hangings which the tenants desire to place on any wall or window and to designate the location, kind and colour of any partitions which are visible from outside the premises.
28. The Landlord shall have the right to make such other and further reasonable rules and regulations, not inconsistent with the provisions of this Lease, as in its reasonable judgment may from time to time be necessary for the safety, care, cleanliness and appearance of any premises and the Development in keeping with the existing standards in and of the Development, and for the preservation of good order therein, and the same shall be kept and observed by all tenants, their clerks and servants.

These rules and regulations, together with all reasonable amendments, deletions and additions, are not necessarily of uniform application, but may be waived in whole or in part in respect of other tenants of the Development without affecting their enforceability with respect to the Tenant and the Premises, and may be waived in whole or in part with respect to the Premises and the imposition of such rules and regulations shall not create or imply any obligation of the Landlord to enforce them or create any liability of the Landlord for their non-enforcement.

**SCHEDULE D
FLOOR PLAN**

[floor plan showing Premises cross-hatched]

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SCHEDULE E ARBITRATION

The Landlord and the Tenant agree that if fair market rent is, for the purposes of Section 20.1 of this Lease, to be determined by arbitration, it shall be determined in accordance with the following provisions:

1. Either party may commence arbitration proceedings by giving written notice to the other party of its desire to arbitrate and setting out the matters to be submitted to arbitration (but no party shall give such a notice unless such party has first demonstrated its willingness to negotiate and act reasonably with a view to resolving the dispute by agreement between the parties).
2. Such notice shall constitute a submission to arbitration under the *Arbitration Act* (Ontario).
3. Forthwith after the giving of such notice, the parties or their designated representatives shall meet in good faith for the purpose of agreeing, or attempting to agree, upon a single arbitrator, and failing such agreement either party may apply to a Court of competent jurisdiction for appointment of an arbitrator under the *Arbitration Act* (Ontario).
4. Forthwith following the appointment of an arbitrator, the parties shall agree upon a procedure for the conduct of the arbitration. If such agreement is arrived at, the matter in dispute shall be arbitrated and settled in accordance with the agreed procedure (and which agreed procedure shall be reduced to writing signed by each of the parties). If the parties are unable to agree on the procedure it shall be fixed by the arbitrator on the application of either party.
5. The parties recognize that in many instances of dispute which might arise under this Lease, the dispute may involve, and depend for its resolution upon, technical matters or matters which involve expert knowledge and judgment, in which instances it is in the interests of a prompt and equitable solution of the matter for the parties to agree upon an independent expert having the appropriate specialized knowledge as the arbitrator.

The arbitration shall be governed by the following provisions:

- (a) the arbitrator shall proceed to determine the dispute, having regard to the provisions of this Lease and the terms of the submission to arbitration and any other agreements the parties may have had respecting the arbitration or the matter in dispute;
 - (b) the arbitration shall, subject to any express provision herein or in any submission to arbitration or other agreement of the parties affecting the same, be conducted in accordance with the provisions of the laws of Ontario applicable thereto and the provisions of the *Arbitration Act* (Ontario) shall apply thereto;
 - (c) the costs of the arbitration shall be awarded in the discretion of the sole arbitrator, save and except as otherwise provided for in the Lease; and
 - (d) the arbitrator shall have power to direct the payment of money and to award interest as the arbitrator sees fit.
6. The provisions of this Lease and of this Section requiring the determination of certain disputes by arbitration shall not operate to prevent recourse to the courts by any party whenever enforcement of an award by the arbitrator reasonably requires access to any remedy (such as mandamus, injunction, specific performance, declaration of right, order for possession, damages or judicial enforcement) which an arbitrator has no power to award or enforce. In all other respects an award by the arbitrator shall be final and binding upon the parties.
 7. Notwithstanding that arbitration proceedings may have been commenced or that a dispute is being negotiated, the Tenant shall continue to pay all Rent, including without limitation all amounts which are the subject of dispute, based upon the Landlord's estimate or re estimate of same (except where otherwise provided in this Lease) until the dispute is finally determined.

SCHEDULE F
FORM OF INDEMNITY AGREEMENT

To induce the Landlord to enter into the Lease dated the [●] day of [●], 202[●] between [●] as Landlord and [●] as Tenant as it may be amended from time to time (the “Lease”) and for other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the undersigned Indemnifier hereby covenants and makes the following indemnity and agreement (herein called the “**Indemnity Agreement**”) with and in favour of the Landlord:

1. The Tenant will duly perform all of its obligations (which expression includes the performance and observance of all covenants, provisos, conditions and agreements on the part of the Tenant to be performed or observed) under the Lease (including the payment of Basic Rent, Additional Rent and other monies payable pursuant to the Lease);
2. Upon the occurrence of any Event of Default (as defined in the Lease) of the Tenant, the Indemnifier shall on the demand of the Landlord forthwith perform or cause to be performed such actions as may be necessary to remedy same, including the payment of Basic Rent, Additional Rent and other monies payable pursuant to the Lease. The Indemnifier waives any right to require the Landlord to (a) proceed against the Tenant or pursue any rights or remedies against the Tenant with respect to the Lease; (b) proceed against or exhaust any security of the Tenant held by the Landlord; (c) pursue any other remedy whatsoever in the Landlord’s power. The Landlord has the right to enforce this indemnity regardless of the acceptance of security, or additional security, from the Tenant;
3. The Indemnifier shall indemnify the Landlord with respect to all loss to and damage that may be suffered or costs incurred by the Landlord in consequence of any default made by the Tenant in the performance of any of its obligations under the Lease;
4. The Indemnifier’s obligation under this Indemnity Agreement is that of a principal obligor and not a mere guarantor or surety, is absolute, unconditional and irrevocable and the Indemnifier shall be jointly and severally bound with the Tenant to the Landlord for the due performance of all of the Tenant’s obligations under the Lease;
5. The obligations of the Indemnifier under this Indemnity Agreement shall be in no way released, discharged, impaired or reduced, and the rights of the Landlord under this Indemnity Agreement shall be in no way prejudiced or impaired, by (a) any neglect, delay or forbearance of the Landlord in demanding, requiring or enforcing performance by the Tenant or any other obligated Person of any of its obligations under the Lease, or by the Indemnifier of any of its obligations under this Indemnity Agreement, or (b) by granting any extensions of time for performance, or (c) by waiving any performance (except as to the particular performance which has been waived), or (d) by permitting or consenting to any Transfer referred to in the Lease, or (e) by the bankruptcy or insolvency of the Tenant, or (f) by the dissolution of the Tenant or (g) by any other event or occurrence which would have the effect at law of terminating the existence or obligations of the Tenant prior to the expiration of the Term (except by the voluntary acceptance by the Landlord of a surrender of the Lease and then only to the extent of obligations relating to the period after the effective date of such surrender), or (h) by any agreements or other dealings between the Landlord and the Tenant having the effect of amending or altering the Lease or the obligations of the Tenant thereunder, or (i) by any want of notice by the Landlord to the Indemnifier of any default of the Tenant, or (j) by any Transfer of the Lease or any interest therein or part thereof by any Trustee, receiver or liquidator, or by any consent which the Landlord gives to any such transfer, or (k) by any amendment to the Lease or any waiver by the Tenant of any of its rights under the Lease, or (l) by the expiration of the Term of the Lease, or (m) by any other matter, thing, act or omission of the Landlord whatsoever;
6. The obligations of the Indemnifier under this Indemnity Agreement extend throughout the Term as it may be renewed or extended and to any over-holding by the Tenant thereafter;
7. Wherever in this Indemnity Agreement reference is made to either the Landlord or the Tenant, the reference is deemed to apply also to the heirs, executors, administrators, successors and assigns and transferees and assignees of the Tenant named in the Lease and

the successors and assigns of the Landlord. Any assignment by the Landlord of any of its interests in the Lease operates automatically as an assignment to such assignee of the benefit of this Indemnity Agreement, and without limiting the foregoing, but for greater certainty only, the Indemnifier acknowledges that its consent will not be required for any assignment of this Indemnity Agreement to a Lender to the Landlord who has secured its loan by a charge/mortgage on the real property affected by the Lease;

8. If there is more than one Person executing this Indemnity Agreement as Indemnifier the obligations of each such Person shall be joint and several and this Indemnity Agreement may be enforced against any such Person separately or against all such Persons jointly and severally, but nevertheless, the Landlord may, without affecting the obligations or liabilities of any remaining Indemnifier, release an Indemnifier wholly or in part from such Indemnifier's obligations and liabilities hereunder and any security relating thereto;
9. In the event of either the termination of the Lease (except by a surrender accepted by the Landlord) or a disclaimer of the Lease pursuant to any statute, in either case at the option of the Landlord exercisable at any time within six (6) months of such termination or disclaimer, as the case may be, the Indemnifier agrees to execute and deliver a new lease of the Premises between the Landlord, as lessor, and the Indemnifier, as lessee, for a term equal in duration to the residue of the Term remaining unexpired at the time of such termination or disclaimer. Save for the aforementioned duration of the Term as herein before provided, such new lease shall contain the same lessor's and lessee's obligations respectively and the same covenants, obligations, agreements, terms and conditions in all respects (including the provision for re-entry) as are contained in the Lease;
10. No modification of this Indemnity Agreement shall be effective unless the same is in writing and is executed by both the Indemnifier and by the Landlord;
11. This Indemnity Agreement is binding upon the Indemnifier and the Indemnifier's heirs, executors, successors and assigns. If any provision of this Indemnity Agreement is determined to be illegal or unenforceable, all other provisions shall remain effective;
12. This Indemnity Agreement shall be construed in accordance with the laws of the Province of Ontario, and of Canada applicable therein.

IN WITNESS WHEREOF the Indemnifier(s) hereto has/have executed this Indemnity Agreement.



Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

I/We have authority to bind the Corporation.

**SCHEDULE G
LANDLORD'S WORK**

[Modify as necessary]

The Tenant agrees that neither Landlord nor any of the Landlord's employees or agents has made any representation or warranty as to the present or future suitability or fitness of the Premises or the [●] Building for the conduct of Tenant's particular business. The Tenant agrees that the Landlord has no obligation and has made no promise to alter, remodel, improve or repair the Premises or the [●] Building, or any part thereof, or to repair, bring into compliance with Applicable Laws, or improve any condition existing in the Premises or the [●] Building as of the date hereof, or to incur any costs in connection with the construction or demolition of any improvement in the Premises or the [●] Building.

The Landlord shall deliver the premises to the Tenant in accordance with the below mentioned:

(Insert specifications)

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**SCHEDULE H
TENANT'S WORK**

[Modify as necessary]

The Tenant and its contractors shall not have the right to commence Tenant Work in the Premises until the Tenant has complied with the term and conditions set out below. The Tenant Criteria Manual issued to the Tenant prior to the commencement of work outlines all improvement guidelines.

The Tenant:

- (a) its consultants and contractors shall perform a survey of the existing site conditions;
- (b) shall submit to the Landlord:
 - i. three (3) sets of architectural, mechanical, electrical and structural (if applicable) plans and specifications to the Landlord for approval. Landlord will review within seven (7) Business Days and provide approval or comments to revise;
 - ii. a construction schedule;
 - iii. a detailed budget; and
 - iv. names of contractors, to be approved by Landlord;
- (c) must use the Landlord's base building contractor for all fire, life, and safety work and other work affecting the [●] Building's structure and base Building Systems, Common Use Equipment and/or common elements;
- (d) must provide copies of:
 - i. all required permits;
 - ii. Notice of Projects;
 - iii. evidence of contractor's and subcontractor's insurance in amounts reasonably required by Landlord and naming the Landlord and the property managers, if any, as an additional insured;
 - iv. clearance certificates from the Worker's Compensation Board; and
 - v. copies of Site Safety plan and Health and Safety Policy;
- (e) shall submit any change orders that affect the [●] Building's structure and base Building Systems, Common Use Equipment and/or common elements to the Landlord for approval;
- (f) shall request approval from the Landlord for any and all scanned core locations prior to coring. The Tenant will pay the Landlord upon demand for all review costs charged by the Landlord's structural consultant as a result of such a request;
- (g) shall insure that improvements will be constructed in a good and workmanlike manner using materials of a quality reasonably acceptable to Landlord;
- (h) shall be obligated to pay to the Landlord a fee equal to four (4%) percent of the total cost of the Tenant's Work for the Landlord's services which include: overseeing and coordinating the Tenant's Work, providing guidance and assistance to the Tenant during the design and construction phases of the Leasehold Improvements, reviewing and providing comments with respect to the Tenant submissions prior to the commencement of the Tenant's Work, as well as during and after such work, providing a liaison between the Landlord, the Landlord's contractor and consultants and the Tenant's contractor and designer. In addition to such fee, the Tenant shall be solely responsible for the payment of any other fees or costs associated with the Tenant's Work, including, without limitation, out-of-pocket costs relating to after-hours work for supervisory services, security, and fire and life safety matters; and
- (i) shall, upon completion of the Tenant's Work, furnish "as-built" plans, compliance letters and full and final waivers of liens to the Landlord.

Any approval obtained from the Landlord with respect to the Tenant's Work shall not be deemed a representation by the Landlord that the improvements comply with Applicable Laws.