

The Corporation of the Town of Grand Valley

By-law 2025- 43

A By-law to authorize the execution of a Commercial Lease Agreement between the Corporation of the Town of Grand Valley and Highlands Health Network Inc. for Upper Level - 21 Main Street North, Grand Valley (Medical Dental Centre).

WHEREAS Section 9 of the *Municipal Act, 2001*, S.O. 2001 c. 25 grants a municipality the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS Section 103 of the *Municipal Act, 2001*, S.O. 2001 c. 25 advises that if a municipality passes a by-law regulating or prohibiting with respect to the being at large or trespassing of animals, it may provide for the seizure and impounding of animals and the sale of those animals under certain conditions, and the Town has passed such a by-law and requires the services of a pound keeper to provide these services;

AND WHEREAS it is deemed expedient that the Corporation of the Town of Grand Valley enter into an Commercial Lease Agreement for rental of the Upper Level, 21 Main Street North, Grand Valley, (Medical Dental Centre) with Highlands Health Network Inc.;

NOW THEREFORE The Council of the Corporation of the Town of Grand Valley enacts as follows:

1. That the Town enter into a Commercial Lease Agreement of the Medical Dental Centre, Upper Level - 21 Main Street North, Grand Valley, with Highlands Health Network Inc.;
2. That the Mayor and Clerk are hereby authorized to execute the Commercial Lease Agreement on behalf of the Corporation in the same or substantially the same format as presented in Appendix A to this by-law; and
3. That this By-law comes into full force and effect on the date it is enacted.

Read a first and second and third time and finally passed this 9th day of September, 2025.



Steve Soloman, Mayor



Meghan Townsend, CAO/Clerk

COMMERCIAL LEASE

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THIS LEASE made the 1st day of February, 2025

BETWEEN:

The Corporation of the Town of Grand Valley
(the "Landlord")

AND

Highlands Health Network Inc.
(the "Tenant")

WITNESSETH AS FOLLOWS:

ARTICLE 1 - BASIC TERMS, DEFINITIONS

1.1 Summary of Basic Terms

- (a) (i) Landlord: The Corporation of the Town of Grand Valley
- (a) (ii) Address: 5 Main St. N., Grand Valley, ON L9W 5S6

- (b) (i) Tenant: Highlands Health Network Inc.
- (b) (ii) Address: 21 Main St. N., Grand Valley, ON L9W 5S6

- (c) Property: 21 Main St. N., Grand Valley, ON L9W 5S6

- (e) Premises: Upper Level, 21 Main St. N., Grand Valley, ON L9W 5S6

- (f) Rentable Area of Premises: 2414 sq. ft., subject to Section 2.2

- (g) (i) Term: 1 year subject to Sections 2.3 and 2.4
- (g) (ii) Commencement Date: February 1, 2025
- (g) (iii) End of Term: January 31, 2026

- (h) Basic Rent (Section 4.1):

Period	Per Sq. Ft./Year	Per Year + HST	Per Month + HST
February 1, 2025 – January 31, 2026	2414 sq. ft. at \$1.085 per sq. ft.	\$31,439.64 + \$4,087.08 HST	\$2,619.97+ \$340.59 HST

- (i) Permitted Use: Medical Office, in accordance with Section 8.1

- (j) Deposit: \$2,960.56 in accordance with Section 3.4
 - (a) Rent Deposit: \$2,619.97 + HST (\$2,960.56)

- (k) Extension Rights, if any: 2 further terms of 1 year (basis rent to be negotiated).

1.2 Definitions

In this Lease, unless there is something in the subject matter or context inconsistent therewith, the following terms have the following respective meanings:

(a) **“Additional Rent”** means the Tenant's contribution to Operating Costs, Realty Taxes, payments for utilities, and all other amounts, excluding Basic Rent and Rental Taxes, payable by the Tenant in accordance with the terms of this Lease, whether to the Landlord or otherwise;

(b) **“Basic Rent”** means the basic rent payable by the Tenant pursuant to Section 4.1;

(c) **“Building Systems”** means: (i) the heating, ventilating and air-conditioning equipment and facilities and all other systems, services, installations and facilities from time to time installed in or servicing the Property (or any portion thereof) including, but not limited to, the elevators and escalators and the following systems, services, installations and facilities: mechanical (including 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; and (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;

(d) **“Capital Taxes”** means any tax or taxes levied against the Landlord and any owner of the Property by any governmental authority having jurisdiction (including, without limitation, the Large Corporations Tax imposed under the *Income Tax Act* (Canada) and the tax imposed under any applicable provincial corporate tax legislation) based upon or computed by reference to the paidup capital or place of business of the Landlord or any owner of the Property or the taxable capital employed in Canada by the Landlord or any owner of the Property as determined for the purposes of such tax or taxes;

(e) **“Commencement Date”** is defined in Section 2.3;

(f) **“Common Areas”** means those areas, facilities, utilities, improvements, equipment and installations within, adjacent to or outside the Property which serve or are for the benefit of the Property, which do not comprise part of the Premises and which, from time to time, are not designated or intended by the Landlord to be for the Landlord's exclusive use, and are not designated or intended by the Landlord to be leased to the Tenant or any other tenants of the Property. Without limiting the generality of the foregoing, Common Areas include all corridors, hallways, lobbies and stairwells, all walkways and sidewalks, all landscaped and planted areas, the roof and exterior walls of the Property, exterior and interior structural elements and walls of the Property, common washrooms, all parking and loading areas and all entrances and exits thereto and all structural elements thereof, all access ways, truck courts, driveways, delivery passages, loading docks and related areas, all electrical, telephone, meter, valve, mechanical, mail, storage, service and janitorial rooms, fire prevention, security and communication systems, and generally all areas forming part of the Property which do not constitute rented or rentable premises;

(g) **“Event of Default”** is defined in Section 15.1;

(h) **“Lands”** means the lands and all rights and easements which are or may hereafter be appurtenant thereto;

(i) **“Lease Year”**, in the case of the first Lease Year, means the period beginning on the Commencement Date and terminating on the first anniversary of the

last day of the month in which the Commencement Date occurs, unless the Commencement Date is the first day of a month, in which case the first Lease Year will terminate upon the expiry of the period of twelve (12) months thereafter. Each subsequent Lease Year shall commence on the first day following the expiry of the preceding Lease Year and terminate upon the earlier to occur of: (i) the expiry of the period of twelve (12) months thereafter; or (ii) the termination of this Lease;

(j) **"Leasehold Improvements"** means all fixtures, improvements, installations, alterations and additions from time to time made, erected or installed by or on behalf of the Tenant or any former occupant of the Premises, including doors, hardware, partitions (including moveable partitions) and wallto wall carpeting, but excluding trade fixtures and furniture and equipment not in the nature of fixtures;

(k) **"Mortgage"** means any mortgage or other security against the Property and/or the Landlord's interest in this Lease, from time to time;

(l) **"Mortgagee"** means the holder of any Mortgage from time to time;

(m) **"Normal Business Hours"** means such hours as the Tenant reasonably determines from time to time as the required hours of business for tenants of the Property;

(n) **"Operating Costs"** means, for any period, the total of all costs and expenses attributable to the maintenance, repair, replacement, administration, management and operation of the Property (including the Common Areas) during such period including, without limiting the generality of the foregoing:

(i) all charges for utilities and similar services to the Property including, without limiting the generality of the foregoing, water, gas, heat, electrical power or energy, steam or hot water used upon or in respect of the Property and for fittings, machinery, apparatus, meters, or other things leased in respect thereof and for all work or services performed by any corporation or commission in connection with such public utilities and similar services;

(ii) all costs incurred by the Landlord in connection with the maintenance, repair, replacement and operation of the Property (including all services, equipment, Common Areas and other fixtures and appurtenances) and every part thereof, and of complying with all applicable laws, directions, rules and regulations of governmental authorities having jurisdiction and in connection therewith including, without limiting the generality of the foregoing, the cost of providing garbage removal and maintenance services, the cost of heating and cooling and ventilating the Property and the cost of maintaining, repairing and replacing all Building Systems, the cost of window cleaning, and any and all other costs incurred by the Landlord in connection with the maintenance, repair and operation of the Property;

(iii) depreciation or amortization in an amount determined by the Landlord in accordance with general real estate industry practice on any costs incurred by the Landlord, whether before or after the Commencement Date, which the Landlord has determined to be capital in nature and which the Landlord is depreciating or amortizing in accordance with general real estate industry practice, together with interest on the undepreciated or unamortized capital cost thereof;

(iv) the cost of providing security, supervision, landscaping, window cleaning, waste collection, disposal and recycling, and snow removal services, and the costs of machinery, supplies, tools, equipment and materials used in connection with such services or any rentals thereof, and the amount of salaries, wages and fringe benefits paid to employees engaged in the maintenance or operation of the Property and amounts paid

to independent contractors for any services in connection with such maintenance or operation;

(v) the cost of direct supervision and management and indirect expenses, to the extent applicable to the maintenance and operation of the Property, and all expenses of every nature incurred in connection with the management, maintenance and operation of the Common Areas;

(vi) the cost of insuring the Property in accordance with the terms of this Lease;

(vii) all costs and expenses (including legal and other professional fees, interest and penalties on deferred payment) incurred in good faith by the Landlord in contesting, resisting or appealing any Realty Taxes;

(viii) the portion of the Capital Taxes that, in the Landlord's reasonable discretion, is attributable to the Property, as if the Property was the only property of the Landlord and/or any owner of the Premises; and

(ix) an administrative fee not greater than fifteen percent (15%) of the aggregate of all Operating Costs, provided that Operating Costs shall exclude:

(A) all such costs determined by separate metering or assessment, or otherwise incurred for the exclusive benefit of the premises leased by the Tenant or any other tenant of the Property and billed to and paid for directly by the Tenant or such other tenant, including charges to tenants for above-normal utilization of utilities;

(B) the cost to the Landlord of debt service in connection with any Mortgage;

(C) taxes upon the income of the Landlord; and

(D) the cost of improvements to particular premises intended for leasing and real estate, or other commissions relating to leasing premises within the Property;

(o) **"Premises"** means that portion of the Property identified in Section 1.1(e) and having the Rentable Area as set out in Section 1.1(f);

(p) **"Property"** means the development which is comprised of the Lands together with the improvements, buildings, fixtures and equipment (whether chattels or fixtures) on such Lands (but not including tenants' fixtures, improvements or chattels) from time to time;

(q) **"Proportionate Share"** means the fraction which has as its numerator the Rentable Area of the Premises and has as its denominator the total Rentable Area of the Property, whether rented or not;

(r) **"Realty Taxes"** means all real property taxes, rates, duties and assessments (including local improvement rates), impost charges or levies, whether general or special, that are levied, charged or assessed from time to time by any lawful authority, whether federal, provincial, municipal, school or otherwise, and any taxes payable by the Landlord which are imposed in lieu of, or in addition to, any such real property taxes, whether of the foregoing character or not, and whether or not in existence at the commencement of the Term, and any such real property taxes levied or assessed against the Landlord on account of its ownership of the Property or its interest therein, but specifically excluding any taxes assessed upon the income of the Landlord;

(s) **"Rent"** means all Basic Rent and Additional Rent;

(t) **"Rentable Area of the Premises"** means the Premises measured to the outside surface of the outer building wall and to the centre line of any interior walls separating the Premises from adjoining premises intended for leasing or separating the Premises from corridors or other parts of the Common Areas;

(u) **"Rentable Area of the Property"** means the aggregate of the rentable area of all premises in the Property that are rented, or designated or intended by the Landlord to be rented (whether actually rented or not), calculated in the same manner as the Rentable Area of the Premises but excluding: (i) free standing buildings; (ii) premises with a Rentable Area in excess of 15,000 square feet; (iii) theatres and cinemas; (iv) bowling lanes and recreational and sports facilities; and (v) gas bar and service station.

(v) **"Rental Taxes"** means any and all taxes or duties imposed upon the Landlord or the Tenant measured by or based in whole or in part upon the Rent payable under the Lease, whether existing at the date hereof or hereinafter imposed by any governmental authority, including, without limitation, goods and services tax, harmonized sales tax, value added tax, business transfer tax, retail sales tax, federal sales tax, excise taxes or duties, or any tax similar to any of the foregoing;

(w) **"Rules and Regulations"** means the rules and regulations promulgated by the Landlord from time to time pursuant to the terms of this Lease;

(x) **"Term"** means the period specified in Section 1.1(g)(i) and, where the context requires, any renewal, extension or overholding thereof;

(y) **"Transfer"** means an assignment of this Lease in whole or in part, a sublease of all or any part of the Premises, any transaction whereby the rights of the Tenant under this Lease or to the Premises are transferred to another person, any transaction by which any right of use or occupancy of all or any part of the Premises is shared with or conferred upon any person, any mortgage, charge or encumbrance of this Lease or the Premises or any part thereof, or any transaction or occurrence whatsoever which has changed or will change the identity of the person having lawful use or occupancy of any part of the Premises; and

(z) **"Transferee"** means any person or entity to whom a Transfer is or is to be made.

ARTICLE 2 - DEMISE AND TERM

2.1 Demise

In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord demises and leases to the Tenant and the Tenant rents from the Landlord the Premises. The Tenant accepts the Premises on an "as is" basis.

2.2 Measurement

The Landlord may arrange for the Rentable Area of the Premises to be measured by its architect, surveyor or other space measurer and, if the area measured is different than that set out in Section 1.1(f), the Rent will be adjusted in accordance with the measured area. The Landlord will advise the Tenant in writing of the area measurement. If the Landlord does not arrange for such measurement, the Rentable Area of the Premises shall be deemed to be the area set out in Section 1.1(f). The Landlord may recalculate the area of the Premises in the same manner whenever required as a result of a rearrangement of partitions or other changed conditions. The Landlord will advise the Tenant in writing of the revised certified area measurement, and the parties agree to be bound thereby.

2.3 Term

The Term shall commence on the date (the "Commencement Date") that is the date set out in Section 1.1(g)(ii) and shall run for the period set out in Section 1.1(g)(i) and end on the date set out in Section 1.1(g)(iii), unless terminated earlier pursuant to the provisions of this Lease.

2.4 Overholding

If, at the expiration of the initial Term or any subsequent renewal or extension thereof, the Tenant shall continue to occupy the Premises without further written agreement, there shall be no tacit renewal of this Lease, and the tenancy of the Tenant thereafter shall be from month to month only, and may be terminated by either party on one (1) month's notice. Rent shall be payable in advance on the first day of each month equal to the sum of one hundred and fifty percent (150%) of the monthly installment of Basic Rent payable during the last year of the Term and otherwise on the same terms and conditions of this Lease which shall, so far as applicable (but specifically excluding any right to renew or extend), apply to such monthly tenancy.

ARTICLE 3 - RENT

3.1 Covenant to Pay, Net Lease

The Tenant covenants to pay Rent as provided in this Lease. It is the intention of the parties that the Rent provided to be paid shall be net to the Landlord and clear of all taxes, costs and charges arising from or relating to the Premises and that the Tenant shall pay as Additional Rent all charges, impositions and expenses of every nature and kind relating to the Premises (except the Landlord's income taxes, and except as otherwise specifically provided) in the manner hereinafter provided, and the Tenant hereby covenants with the Landlord accordingly.

3.2 Rental Taxes

The Tenant will pay to the Landlord the Rental Taxes assessed upon: (a) the Rent; (b) the Landlord; and/or (c) the Tenant pursuant to the laws, rules and regulations governing the administration of the Rental Taxes by the authority having jurisdiction, and as such may be amended from time to time during the Term of this Lease or any extension thereof. The Rental Taxes shall not be deemed to be Additional Rent under this Lease, but may be recovered by the Landlord as though they were Additional Rent.

3.3 Payment Method

The Landlord may at any time, and from time to time, require the Tenant to provide to the Landlord either: (a) a series of monthly post-dated cheques, each cheque in the amount of the monthly installment of Rent; or (b) authorization and documentation required to automatically debit the Tenant's bank account for such amounts. In the event of any change in the estimates of Additional Rent, the Landlord may require a new series of monthly post-dated cheques or new documentation (as applicable).

Upon receipt of the executed Lease, the Tenant agrees to provide post-dated cheques for the balance of the first year.

3.4 Deposit

Any deposit in the Landlord's hands at the beginning of the Term shall be held by the Landlord without interest. The amount of any such rent deposit described in Section 1.1(j) (i) shall be applied to Rent and Rental Taxes as they fall due under this Lease. The amount of any security deposit described in Section 1.1(j) (ii) shall be held by the Landlord as security for the due performance by the Tenant of its obligations under this Lease and may be applied, in the Landlord's discretion, to remedy any default by the Tenant hereunder and, in the absence of such default, the deposit shall be applied to the Rent and Rental Taxes for the last month of the Term. If the Landlord draws moneys from the deposit for the purpose of remedying any default of the Tenant, the Tenant shall, at the request of the Landlord, pay forthwith to the Landlord the amount of money required to replace the moneys so drawn by the Landlord.

3.5 Rent Past Due

If the Tenant shall fail to pay any Rent when the same is due and payable, such unpaid amount shall bear interest at the rate of eighteen percent (18%) per annum (calculated monthly at the rate of one and one-half percent (1.5%)), such interest to be calculated from the time such Rent becomes due until paid by the Tenant.

3.6 Partial Periods

If the Term commences on any day other than the first day of the month or ends on any day other than the last day of the month, Rent for the fractions of a month at the commencement and at the end of the Term shall be calculated on a *pro rata* basis and shall be payable on the first day of the partial month.

ARTICLE 4 - BASIC RENT

4.1 Basic Rent

The Tenant covenants and agrees to pay, from and after the Commencement Date, to the Landlord at the office of the Landlord, or to such other person or at such other location as the Landlord shall direct by notice in writing, in lawful money of Canada, without any prior demand therefore and without any deduction, abatement or set-off whatsoever as annual Basic Rent, the sum(s) set out in Section 1.1(h) of this Lease in equal monthly installments in advance on the first day of each and every month during the Term.

ARTICLE 5 - ADDITIONAL RENT

5.1 Additional Rent

In addition to the Basic Rent reserved in favour of the Landlord, the Tenant shall, throughout the Term, pay to the Landlord in lawful money of Canada, without any deduction, abatement or set-off whatsoever, as Additional Rent, the following costs:

- (a) any and all costs relating to the Premises that would otherwise be included in Operating Costs but are determined by separate metering or assessment of the Premises or otherwise incurred for the exclusive benefit of the Premises;
- (b) the Tenant's Proportionate Share of Operating Costs (less contributions to Operating Costs made by tenants or occupants of space excluded from the Rentable Area of the Property);
- (c) all Realty Taxes levied, rated, charged or assessed on or in relation to the Premises or its Proportionate or other share of Realty Taxes levied, rated, charged or assessed on or in relation to the Property in the absence of a separate assessment; and
- (d) all other sums, amounts, costs, cost escalations and charges specified in this Lease to be payable by the Tenant.

All of the payments set out in this Lease (other than Rental Taxes) shall constitute Basic Rent or Additional Rent, and shall be deemed to be and shall be paid as Rent, whether or not any payment is payable to the Landlord or otherwise, and whether or not as compensation to the Landlord for expenses to which it has been put. The Landlord has all the rights against the Tenant for default in payment of Additional Rent that it has against the Tenant for default in payment of Basic Rent.

5.2 Realty Taxes

The Tenant shall pay to the Landlord, as Additional Rent, all Realty Taxes levied, rated, charged or assessed throughout the Term, on or in relation to the Premises, or any part thereof, in accordance with the following:

- (a) payment shall be due in equal monthly installments over each calendar year or such shorter period as Landlord may require such that the Landlord will have in its hands an amount sufficient to pay each installment of Realty Taxes when due to the taxing authorities. Prior to the commencement of each calendar year, the Landlord shall estimate the amount of such equal monthly installments and notify the Tenant in writing of such estimate. From time to time during the calendar year, the Landlord may re-estimate the amounts payable for such calendar year, in which event the Landlord shall notify the Tenant in writing of such re-estimate and fix monthly installments for the remaining balance of such calendar year;

(b) the Realty Taxes payable by the Tenant shall be determined by the Landlord by applying the Tenant's Proportionate Share to the Realty Taxes payable in respect of the Property (less contributions to Realty Taxes made by tenants or occupants of space excluded from the Rentable Area of the Property). If, in any year, the Premises are assessed separately with respect to any Realty Taxes or there is a separate apportionment of assessment by the relevant authorities, then, at the election of the Landlord, the Realty Taxes payable by the Tenant shall be computed on the basis of such separate assessments or apportionments and shall include the Tenant's Proportionate Share of any Realty Taxes attributable to the Common Areas;

(c) for the purposes of determining the share of Realty Taxes payable by the Tenant pursuant to this Lease, Realty Taxes shall include such additional amounts as would have formed part of Realty Taxes had the Property been fully assessed during the whole of the relevant fiscal period as fully completed and fully occupied by tenants, with no special exemptions or reductions, and without taking into account any actual or potential reduction of Realty Taxes or change of assessment category or class of premises within the Property which are vacant or underutilized; and

(d) if the Landlord so directs, the Tenant shall pay Realty Taxes directly to the taxing authorities. In that event, the Tenant shall make payment on or before the due date of each installment and shall provide to the Landlord on demand evidence of payment in the form of receipted bills.

5.3 Business and Other Taxes

In each and every year during the Term, the Tenant shall pay as Additional Rent, discharge within fifteen (15) days after they become due, and indemnify the Landlord from and against payment of, and any interest or penalty in respect of, the following:

(a) every tax, licence fee, rate, duty and assessment of every kind with respect to any business carried on by the Tenant in the Premises or by any subtenant, licensee, concessionaire or franchisee or anyone else, or in respect of the use or occupancy of the Premises by the Tenant, its subtenants, licensees, concessionaires or franchisees, or anyone else (other than such taxes as income, profits or similar taxes assessed upon the income of the Landlord); and

(b) all Realty Taxes in respect of tenant's fixtures, Leasehold Improvements, equipment or facilities on or

about the Premises, and any Realty Taxes occurring as a result of any reason peculiar to the Tenant.

5.4 Operating Costs

Prior to the commencement of each year, the Landlord shall estimate the amount of Operating Costs and other recurring Additional Rent payable by the Tenant for such year and notify the Tenant in writing of such estimate, providing reasonable detail as to the breakdown and calculation thereof. The amount so estimated shall be payable in equal monthly installments, in advance, on the first day of each and every month over the year in question. From time to time during the year, the Landlord may re-estimate the amounts payable for such year, in which event the Landlord shall notify the Tenant in writing of such re-estimate, providing reasonable details as to the breakdown and calculation thereof, and fix monthly installments for the remaining balance of such year such that, after giving credit for installments paid by the Tenant on the basis of the previous estimate or estimates, all Operating Costs, based upon the most recent estimate by the Landlord, will have been paid upon the expiration of such year.

5.5 Annual Readjustment of Additional Rent

The Landlord and Tenant acknowledge that the Additional Rent shall be charged at the rate of \$1.085 per sq. ft. in the first year of the Lease. As soon as practicable after the expiration of each year, the Landlord shall make a final determination of Operating Costs, Realty Taxes and other estimated Additional Rent based upon the actual costs incurred therefore by the Landlord and shall notify the Tenant of such determination, providing reasonable details as to the breakdown and calculation thereof. If there has been a shortfall in the amounts payable by the Tenant for such period, the Tenant shall pay such shortfall within twenty (20) days after delivery of the

Landlord's notice. Any overpayment may be paid by the Landlord to the Tenant without interest, or credited to the Tenant's account and held by the Landlord without interest, to be applied to payments falling due under this Lease. In the event of any dispute, the report of the Landlord's auditor or accountant as to the Operating Costs and Realty Taxes shall be conclusive as to the amount thereof for any period to which such report relates. Neither the Landlord nor the Tenant may claim any adjustment on account of Operating Costs or Realty Taxes for any fiscal period more than two (2) years after the date of delivery of the statement for such period.

5.6 Calculation of Operating Costs

In computing Operating Costs:

- (a) if less than one hundred percent (100%) of the Rentable Area of the Property is completed or occupied during any period for which a computation must be made, the amount of Operating Costs will be increased by the amount of the additional costs determined by the Landlord, acting reasonably, that would have been incurred had one hundred percent (100%) of the Rentable Area of the Property been completed or occupied during that period, provided that, for greater certainty, it is confirmed that in no event shall the Tenant's Proportionate Share of Operating Costs be increased pursuant to this Section 6.6(a) beyond the amount that would be payable if the Property had been fully rented;
- (b) when and if any service which is normally provided by the Landlord to some tenants of the Property:
 - (i) is not provided to the Tenant under the specific terms of this Lease, in determining Operating Costs for the calculation of the Tenant's Proportionate Share, the Landlord shall exclude the costs of that service, except as any such costs relate to the Common Areas; or
 - (ii) is not provided in a significant portion of the Property, then in determining the Tenant's Proportionate Share, the Landlord may divide the cost of that service by the difference between the Rentable Area in the Property and the number of square feet in the Property to which the Landlord does not provide the service;
- (c) if the Property is comprised of different categories of leasable premises, the Landlord shall be entitled but not obligated to allocate Operating Costs among the various categories on the basis of such factors as the Landlord reasonably determines to be relevant, such as, by way of example, the relative uses of each such category and the benefits derived by them. In such event, the Landlord shall be entitled to adjust the Tenant's Proportionate Share of Operating Costs having regard to the category in which the Premises is included; and
- (d) if any facilities, services or utilities:
 - (i) for the operation, administration, management, repair and maintenance of the Property are provided from another building or other buildings owned or operated by Landlord or its manager;
 - (ii) for the operation, administration, management, repair and maintenance of another building or other buildings owned or operated by Landlord or its manager are provided from the Property; or
 - (iii) are otherwise shared between the Property and another building or other buildings,

the net costs, charges and expenses of such items shall be allocated by the Landlord, acting reasonably, between the Property and other building or buildings on a reasonable basis.

ARTICLE 6 - UTILITIES AND BUILDING SYSTEMS

6.1 Payment for Utilities

The Tenant shall be responsible for payment for utilities affecting the medical office.

6.2 Above-Normal Utilization

If there are special circumstances within the Premises causing utilization of any utilities or services in excess of that reasonably expected for the use of the Premises (including, without limitation, requirements outside of Normal Business Hours), the Landlord may, in its sole discretion, designate a professional engineer or other consultant to review such above-normal utilization and determine the extent thereof and, upon such determination and delivery of a copy of the engineer's or consultant's report to the Tenant, the Landlord may, if such report so indicates, increase the Tenant's payments of Additional Rent by an amount equal to such above-normal utilization as long as such utilization shall continue. The Tenant shall pay to the Landlord, as long as such utilization shall continue, the amount determined by the Landlord, in its sole opinion and in accordance with the engineer's or consultant's report, to be attributable to such above-normal utilization. The Tenant shall also pay to the Landlord, as Additional Rent, any extra insurance costs resulting from such above-normal utilization.

6.3 Additional Utilities

The Tenant shall make arrangements, at its own cost and expense, directly with the utility or service supplier in respect of any utilities and services not supplied by the Landlord. The Tenant, at its own cost and expense, shall procure each and every permit, license or other authorization required, and shall comply with the provisions of Article 9 of this Lease pertaining to any work required in respect of such additional utilities and services.

6.4 No Overloading

The Tenant will not install any equipment which would exceed or overload the capacity of the utility facilities in the Premises or the other facilities in the Property, and agrees that if any equipment installed by the Tenant shall require additional facilities, such facilities shall be installed, if available, and subject to the Landlord's prior written approval thereof (which approval may not be unreasonably withheld), at the Tenant's sole cost and expense in accordance with plans and specifications to be approved in advance by the Landlord, in writing.

6.5 No Liability

In no event shall the Landlord be liable for any injury to the Tenant, its employees, agents or invitees, or to the Premises, or to any property of the Tenant or anyone else, for any loss of profits or business interruption, indirect or consequential damages, or for any other costs, losses or damages of whatsoever kind arising from any interruption or failure in the supply of any utility or service to the Premises.

6.6 Building Systems

The Tenant shall, throughout the Term, operate, maintain, repair, replace and regulate the Building Systems within and exclusively serving the Premises in such a manner as to maintain reasonable conditions of temperature and humidity within the Premises and so as to maintain the Building Systems in a good and working order.

ARTICLE 7 - CONTROL AND OPERATION BY LANDLORD

7.1 Property Operation and Repair

The Landlord shall operate, maintain and repair the Property, any Building Systems serving the Premises that are not the Tenant's responsibility under Section 6.6 and any other service facilities not within or exclusively serving the Premises, to the extent required to keep the Property, equipment and facilities in a state of good repair and maintenance in accordance with normal property management standards for a similar building in the vicinity. For greater certainty:

- (a) the Landlord's obligations shall not extend to any matters that are the responsibility of the Tenant herein; and
- (b) the Landlord shall promptly make all repairs to the structural components of the Property including, without limitation, the roof (including the roof membrane), interior concrete slab floors and exterior walls.

7.2 Use of Common Areas

The Tenant shall have the right of non-exclusive use, in common with others entitled thereto, for their proper and intended purposes of those portions of the Common Areas intended for common use by tenants of the Property, provided that such use by the Tenant shall always be subject to such reasonable Rules and Regulations as the Landlord may from time to time determine. At times other than during Normal Business Hours, the Tenant and the employees of the Tenant and persons lawfully requiring communication with the Tenant shall have access to the Property only in accordance with the Rules and Regulations and other security requirements of the Landlord.

7.3 Control of Common Areas and Property

The Common Areas shall at all times be subject to the exclusive management and control of the Landlord. Without limitation, the Landlord may, in its operation of the Property, do any or all of the following: regulate, acting reasonably, all aspects of loading and unloading and delivery and shipping, and all aspects of garbage collection and disposal; designate employee parking areas or prohibit the Tenant and its employees from parking in or on the Property; and do and perform such other acts in and to the Property as, using good business judgment, the Landlord determines to be advisable for the proper operation of the Property.

The Landlord reserves the right to lease parts of the Common Areas from time to time, to alter the layout or configuration of and/or reduce or enlarge the size of the Common Areas and/or the Rentable Area of the Property, to cease to treat as part of the Property any buildings or lands now forming part of the Property and/or to add additional lands or buildings to the Property, and to make other changes to the Property as the Landlord shall from time to time reasonably determine. Despite anything else contained in this Lease, the Landlord has no liability for any diminution or alteration of the Common Areas that occurs as a result of the Landlord's exercise of its rights under this Section 7.3 or elsewhere in this Lease. The Tenant shall not be entitled to compensation or a reduction or abatement of Rent for such diminution or alteration. Further, no such diminution or alteration of the Common Areas shall be deemed to be a constructive or actual eviction of the Tenant or a default by the Landlord of any obligation for quiet enjoyment contained in this Lease or provided at law.

7.4 Relocation

The Landlord reserves the right, at any time before or during the term of this Lease or any renewal term, upon giving the Tenant not less than sixty (60) days' prior written notice, to relocate the Tenant to any other premises within the Property as the Landlord may deem advisable or necessary, provided, however, that the new premises shall be substantially similar to the Premises.

In the event of relocation, the Landlord shall construct all Leasehold Improvements to a quality substantially equal to that of the Premises in the new premises and pay all reasonable moving costs incurred by the Tenant in transferring its property from the Premises to the new premises, including the costs of all utility, telephone and other communication hook-ups.

The Tenant agrees to execute, upon the request of the Landlord, an amendment to this Lease documenting the change in location, but all other terms, covenants and conditions of the Lease shall remain in full force and effect.

7.5 Rules and Regulations

The Tenant and its employees and all persons visiting or doing business with it on the Premises shall be bound by and shall observe the Rules and Regulations attached to this Lease as Schedule "C", and any further and other reasonable Rules and Regulations made hereafter by the Landlord of which notice in writing shall be given to the Tenant. All such Rules and Regulations shall be deemed to be incorporated into and form part of this Lease.

ARTICLE 8 - USE OF PREMISES

8.1 Use of the Premises

The Tenant covenants that it will use the demised premises as set out in Section 1.1(i) for the purpose of: **Medical office.**

The Tenant shall have the approval of the municipality and any other governing body of the premises to operate in a business-like fashion the Tenant's "uses" as set out herein.

8.2 Conduct of Business

The Tenant shall, throughout the Term, conduct continuously and actively the business set out in Section 1.1(i) in the Premises during Normal Business Hours and at no other time. Notwithstanding the foregoing, the Tenant shall not be required to carry on business when prohibited by a governmental law or by-law regulating the hours of business.

In the conduct by the Tenant of its business at the Premises, the Tenant shall: operate its business in a manner which is in keeping with the theme and nature of the entire Property; maintain at the Premises an adequate stock and an adequate sales force to serve properly all customers of its business; warehouse, store or stock in the Premises only such goods, wares and merchandise as the Tenant intends to offer for sale in the Premises; use for office, clerical or other non-selling purposes, only such reasonable minimum amount of space at the Premises as may be required for the conduct of the Tenant's business from time to time; supply and maintain, or cause to be installed and maintained, adequate water, gas, sewage and electrical services within the Premises where the same are required for the proper operation thereof; and keep any show windows lighted and properly furnished with displays of a first-rate quality and arrangement during such hours as the Landlord may reasonably require.

Without limiting the generality of the foregoing or any other provision of this Lease, the Tenant shall neither use nor permit any part of the Premises to be used for or in connection with any of the following: the sale of secondhand goods, surplus articles, insurance salvage stock, fire sale stock, any damaged or defective merchandise, liquidation stock, bankruptcy stock or other distress or "end-of-line" stock; the sale of out-of-style, job lot, low quality or any inferior merchandise; any auction; a liquidation sale, bankruptcy sale, "going out of business" sale, "moving" sale, "lease expiry" sale or any other similar sale; any "fire" sale, "smoke damage" sale or any other type of sale following or referring to any type of damage; an order office, a mail order office, or a store for the sale of merchandise through catalogues; or any vending machine or other coin operated machines, entertainment or games machines or any other mechanical or electrical serving or dispensing machines or devices whatsoever unless expressly permitted in writing by the Landlord, in its sole discretion.

8.3 Radius Restriction

The Tenant shall not, during the Term, directly or indirectly whether as an owner, partner, shareholder, principal, agent, employee or independent contractor or otherwise, engage in or participate in or be a holder of any security of any nature whatsoever of, or be a lender to or an owner of any debt of, or furnish any financial aid or other support or assistance of any nature whatsoever to, any business enterprise or undertaking which in any manner or degree is competitive with the use of the Premises permitted by Section 8.1, if such competitive business enterprise or undertaking is in whole or in part conducted from premises situate within a distance of five (5) kilometres from any part of the Property. This restriction shall not apply, however, to any business enterprise of the Tenant which is in operation as of the date of this Lease. If the Tenant shall breach the covenant contained in this Section 8.3, then in addition to any other rights and remedies of the Landlord under this Lease, the Landlord may, at its option terminate this Lease upon thirty (30) days' written notice to the Tenant.

8.4 Observance of Law

The Tenant shall, at its own expense, comply with all laws, by-laws, ordinances, regulations and directives of public authority having jurisdiction affecting the Premises or the use or occupation thereof including, without limitation, police, fire and health regulations and requirements of the fire insurance underwriters. Without limiting the generality of the foregoing:

(a) where, during the Term, the Tenant has, through its use or occupancy of the Premises, caused or permitted a release of a contaminant at, from or to the Premises, the Tenant shall immediately clean up such contaminant from the Premises, and any affected areas, at the Tenant's expense; and

(b) on the termination of the Lease for any reason, the Tenant shall remove, at its expense, any contaminant or contamination which, through the Tenant's use or occupancy of the Premises, it has brought to or created at the Property.

8.5 Waste, Nuisance, Overloading

The Tenant shall not do or suffer any waste, damage, disfiguration or injury to the Premises, nor permit or suffer any overloading of the floors, roof deck, walls or any other part of the Property, and shall not use or permit to be used any part of the Premises for any illegal or unlawful purpose or any dangerous, noxious or offensive trade or business, and shall not cause or permit any nuisance in, at or on the Premises.

ARTICLE 9 - MAINTENANCE, REPAIRS AND ALTERATIONS OF PREMISES

9.1 Maintenance, Repair and Cleaning of Premises

Except as set out in this Article 9, the Tenant shall, at its own expense and cost, operate, maintain and keep in good and substantial repair, order and condition the Premises and all parts thereof (including, without limitation, all plumbing, drains, electrical and other utility services within or exclusively serving the Premises), save and except repairs required to be made by the Landlord pursuant to Section 7.1. All repairs shall be in all respects equal in quality and workmanship to the original work and materials in the Premises and shall meet the requirements of all authorities having jurisdiction, and the insurance underwriters. The Tenant is responsible for shovelling snow and clearing leaves on the entrance and walkways to their Premises.

9.2 Inspection and Repair on Notice

The Landlord, its servants, agents and contractors shall be entitled to enter upon the Premises at any time without notice for the purpose of making emergency repairs, and during Normal Business Hours on reasonable prior written notice, for the purpose of inspecting and making repairs, alterations or improvements to the Premises or to the Property, or for the purpose of having access to the under floor ducts, or to access panels to mechanical shafts (which the Tenant agrees not to obstruct). The Tenant shall not be entitled to compensation for any inconvenience, nuisance or discomfort occasioned thereby. The Landlord, its servants, agents and contractors may at any time, and from time to time, on reasonable prior written notice, enter upon the Premises to remove any article or remedy any condition which, in the opinion of the Landlord, would likely lead to the cancellation of any policy of insurance. The Landlord will take reasonable precautions and attempt to schedule such work so as not to unreasonably interfere with the operation of the Tenant's business and to minimize interference with the Tenant's use and enjoyment of the Premises.

9.3 Repair Where Tenant at Fault

Notwithstanding any other provision of this Lease, if the Property, including the Premises, the boilers, engines, controls, pipes and other apparatus used for the purpose of heating or air-conditioning the Property, the water and drainage pipes, the electric lighting, any other equipment or the roof or outside walls of the Property are put in a state of disrepair or are damaged or destroyed through the negligence, carelessness or misuse of the Tenant, its servants, agents, employees or anyone permitted by it to be in the Property, the expense of the necessary repairs, replacements or alterations shall be borne by the Tenant and paid to the Landlord forthwith on demand as Additional Rent, plus a sum equal to fifteen percent (15%) thereof for overhead.

9.4 Alterations

The Tenant will not make or erect in or to the Premises any installations, alterations, additions or partitions without first submitting drawings and specifications to the Landlord and obtaining the Landlord's prior written consent, which the Landlord shall not unreasonably withhold. The Tenant must further obtain the Landlord's prior written consent to any change or changes in such

drawings and specifications. The Tenant will pay the reasonable out-of-pocket costs to the Landlord of having its architects approve such drawings and specifications and any changes. Such work shall be performed by qualified contractors engaged by the Tenant (and approved by the Landlord), but in each case only under a written contract approved in writing by the Landlord and subject to all reasonable conditions which the Landlord may impose, provided nevertheless that the Landlord may, at its option, require that the Landlord's contractors be engaged for any structural, mechanical or electrical work. No Alterations by or on behalf of the Tenant shall be permitted which may weaken or endanger the structure or adversely affect the condition or operation of the Premises or the Property or diminish the value thereof, or restrict or reduce the Landlord's coverage for municipal zoning purposes. Any changes to the lighting undertaken by the Tenant as part of an approved alteration must result in energy efficient lighting compatible with the Property standard. The Tenant shall submit to the Landlord's reasonable supervision over construction and promptly pay to the Landlord's or the Tenant's contractors, as the case may be, when due, the cost of all such work and of all materials, labour and services involved therein and of all decoration and all changes to the Property, its equipment or services, necessitated thereby. Without limiting the generality of the foregoing, any work performed by or for the Tenant shall be:

- (a) performed by competent workers;
- (b) performed in a good and workmanlike manner in accordance with the approved drawings and specifications, all applicable codes and regulations, and the very best standards of practice;
- (c) subject to the reasonable supervision and direction of the Landlord; and
- (d) completed as expeditiously as possible with first class new materials.

9.5 Signs

The Tenant will, at its sole expense, erect signage in a good and workmanlike manner, subject to municipal by-laws and government regulations and subject to the Landlord's prior written approval as to the design, colour, and content of any such sign, which consent shall not be unreasonably withheld.

The Landlord may, at any time, prescribe a uniform pattern of identification signs for tenants which shall be placed on the outside of the Premises and other premises. All Tenant signage shall remain the property of the Tenant, and the Tenant shall remove such signage (or sign face in the case of a pylon or pole sign) at the end of the Term and make good all damage caused by such installation and removal. Except as provided in this Section 9.5, the Tenant shall not, at any time, cause or permit any sign, picture, advertisement, notice, lettering, flag, decoration or direction to be painted, displayed, inscribed, placed, affixed or maintained within the Premises and visible outside the Premises or in or on any windows or the exterior of the Premises nor anywhere else on or in the Property without the consent of the Landlord.

9.6 Construction Liens

If any construction or other lien or order for the payment of money shall be filed against the Property by reason of or arising out of any labour or material furnished to the Tenant or to anyone claiming through the Tenant, the Tenant, within five (5) days after receipt of notice of the filing thereof, shall cause the same to be discharged by bonding, deposit, payment, court order or otherwise. The Tenant shall defend all suits to enforce such lien, or orders, against the Tenant, at the Tenant's sole expense. The Tenant hereby indemnifies the Landlord against any expense or damage incurred as a result of such liens or orders. If the Tenant shall fail to discharge any lien, then in addition to any other right or remedy of the Landlord, the Landlord may, but it shall not be so obligated, discharge the lien by paying the amount claimed to be due into Court and the amount paid by the Landlord together with all costs and expenses including solicitor's fees incurred for the discharge of the lien shall be due and payable by the Tenant to the Landlord as Additional Rent on demand.

9.7 Removal of Improvements and Fixtures

All Leasehold Improvements shall immediately upon their placement become the Landlord's property, without compensation to the Tenant. Except as otherwise agreed by the Landlord in

writing, no Leasehold Improvements or trade fixtures shall be removed from the Premises by the Tenant, either during or upon the expiry or earlier termination of the Term except that:

- (a) the Tenant may, during the Term, in the usual course of its business, remove its trade fixtures, provided that the Tenant is not in default under this Lease, and at the end of the Term, the Tenant shall remove its trade fixtures; and
- (b) the Tenant shall, at its sole cost, remove such of the Leasehold Improvements as the Landlord shall require to be removed, such removal to be completed on or before the end of the Term.

The Tenant shall, at its own expense, repair any damage caused to the Property by the Leasehold Improvements or trade fixtures or the removal thereof. In the event that the Tenant fails to remove its trade fixtures prior to the expiry or earlier termination of the Term, such trade fixtures shall, at the option of the Landlord, 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. For greater certainty, the Tenant's trade fixtures shall not include any Building Systems serving the Premises or light fixtures. Notwithstanding anything in this Lease, the Landlord shall be under no obligation to repair or maintain the Tenant's installations.

9.8 Surrender of Premises

At the expiration or earlier termination of this Lease, the Tenant shall peaceably surrender and give up unto the Landlord vacant possession of the Premises in the same condition and state of repair as the Tenant is required to maintain the Premises throughout the Term and in accordance with its obligations in Section 9.7. The Tenant shall ensure that no debris is left behind and will leave the unit in broom swept condition.

ARTICLE 10 - INSURANCE AND INDEMNITY

10.1 Tenant's Insurance

The Tenant shall, at its sole cost and expense, take out and maintain in full force and effect at all times throughout the Term the following insurance:

- (a) "All Risks" insurance upon property of every description and kind owned by the Tenant, or for which the Tenant is legally liable, or which is installed by or on behalf of the Tenant, within the Premises or on the Property, including, without limitation, stock-in-trade, furniture, equipment, partitions, trade fixtures and Leasehold Improvements, in an amount not less than the full replacement cost thereof from time to time without deduction for depreciation, subject to an agreed amount clause and with a contingent liability from enforcement of building bylaws endorsement and an inflation protection endorsement;
- (b) general liability and property damage insurance, including personal liability, contractual liability, tenants' legal liability, non-owned automobile liability, and owners' and contractors' protective insurance coverage with respect to the Premises and the Common Areas, which coverage shall include the business operations conducted by the Tenant and any other person on the Premises. Such policies shall be written on a comprehensive basis with coverage for any one occurrence or claim of not less than two million dollars (\$2,000,000.00) or such higher limits as the Landlord may reasonably require from time to time;
- (c) when applicable, broad form comprehensive boiler and machinery insurance on a blanket repair and replacement basis, with limits for each accident in an amount not less than the full replacement costs of the property, with respect to all boilers and machinery owned or operated by the Tenant or by others (other than the Landlord) on behalf of the Tenant in the Premises or relating to or serving the Premises;
- (d) business interruption insurance in an amount sufficient to cover the Tenant's Rent for a period of not less than twelve (12) months;

- (e) standard owners' form automobile insurance providing third party liability insurance with Two Million Dollars (\$2,000,000) inclusive limits, and accident benefits insurance, covering all licensed vehicles owned, leased or operated by or on behalf of the Tenant;
- (f) plate glass insurance with respect to all glass windows and glass doors in or on the Premises for the full replacement value thereof; and
- (g) such other forms of insurance as may be reasonably required by the Landlord and any Mortgagee from time to time.

All such insurance shall be with insurers and shall be upon such terms and conditions as the Landlord reasonably approves. The insurance described in Sections 10.1(a) and 10.1(c) shall name as loss payee the Landlord and anyone else with an interest in the Premises from time to time designated in writing by the Landlord, and shall provide that any proceeds recoverable in the event of damage to Leasehold Improvements shall be payable to the Landlord. The insurance described in Sections 10.1(b) and 10.1(d) shall name as an additional insured the Landlord and anyone else with an interest in the Property from time to time designated in writing by the Landlord. The Landlord agrees to make available such proceeds toward repair or replacement of the insured property if this Lease is not terminated pursuant to the terms of this Lease. All public liability insurance shall contain a provision for cross liability or severability of interest as between the Landlord and the Tenant.

All of the foregoing property policies shall contain a waiver of any right of subrogation or recourse by the Tenant's insurers against the Landlord or the Landlord's mortgagees, their contractors, agents and employees, whether or not any loss is caused by the act, omission or negligence of the Landlord, its mortgagees, their contractors, agents or employees. The Tenant shall obtain from the insurers under such policies undertakings to notify the Landlord in writing at least thirty (30) days prior to any cancellation thereof. The Tenant shall furnish to the Landlord upon written request, certificates of all such policies. The Tenant agrees that if it fails to take out or to keep in force such insurance or if it fails to provide a certificate of every policy and evidence of continuation of coverage as herein provided, the Landlord shall have the right to take out such insurance and pay the premium therefore and, in such event, the Tenant shall pay to the Landlord the amount paid as premium plus fifteen percent (15%), which payment shall be deemed to be Additional Rent payable on the first day of the next month following the said payment by the Landlord.

10.2 Landlord's Insurance

The Landlord shall provide and maintain insurance on the whole of the Property against loss, damage or destruction caused by fire and extended perils under a standard extended form of fire insurance policy in such amounts and on such terms and conditions as would be carried by a prudent owner of a similar building, having regard to the size, age and location of the Property. The amount of insurance to be obtained shall be determined at the sole discretion of the Landlord. The Landlord may maintain such other insurance in respect of the Property and its operation and management as the Landlord determines, acting reasonably. The Tenant shall not be an insured under the policies with respect to the Landlord's insurance, nor shall it be deemed to have any insurable interest in the property covered by such policies, or any other right or interest in such policies or their proceeds.

10.3 Increase of Landlord Premiums

If the occupancy of the Premises, the conduct of business in the Premises, or any acts or omissions of the Tenant in the Property or any part thereof causes or results in any increase in premiums for the insurance carried from time to time by the Landlord with respect to the Property, the Tenant shall pay any such increase in premiums as Additional Rent forthwith after invoices for such additional premiums are rendered by the Landlord. In determining whether increased premiums are caused by or result from the use and occupancy of the Premises, a schedule issued by the organization computing the insurance rate on the Property showing the various components of such rate shall be conclusive evidence of the several items and charges which make up such rate. The Tenant shall comply promptly with all requirements and recommendations of the Insurer's Advisory Organization of Canada (or any successor thereof), or of any insurer now or hereafter in effect, pertaining to or affecting the Premises.

10.4 Tenant Indemnity

The Tenant will indemnify the Landlord and save it harmless from any and all losses or claims, actions, demands, liabilities and expenses in connection with loss of life, personal injury and/or damage to or loss of property: (a) arising out of any occurrence in or about the Premises; (b) occasioned or caused wholly or in part by any act or omission of the Tenant or anyone for whom it is in law responsible; or (c) arising from any breach by the Tenant of any provision of this Lease.

10.5 Mutual Release

Each of the Landlord and Tenant hereby releases the other and waives all claims against the other and those for whom the other is in law responsible with respect to occurrences insured against or required to be insured against by the releasing party, whether any such claims arise as a result of the negligence or otherwise of the other or those for whom it is in law responsible, subject to the following:

- (a) such release and waiver shall be effective only to the extent of proceeds of insurance received by the releasing party or proceeds which would have been received if the releasing party had obtained all insurance required to be obtained by it under this Lease (whichever is greater) and, for this purpose, deductible amounts shall be deemed to be proceeds of insurance received (subject to the right of the Landlord to include such deductible amounts in Operating Costs); and
- (b) to the extent that both parties have insurance or are required to have insurance for any occurrence, the Tenant's insurance shall be primary.

Notwithstanding the foregoing or anything else herein contained, in no event, whether or not the result of the willful act or the negligence of the Landlord, its agents, officers, employees or others for whom it is legally responsible, and irrespective of any insurance that may or may not be carried or required to be carried, shall the Landlord be liable for: (i) damage to property of the Tenant or others located on the Premises; (ii) any injury or damage to persons or property resulting from fire, explosion, steam, water, rain, snow or gas which may leak into or issue or flow from any part of the Property or from the water, steam or drainage pipes or plumbing works of the Property or from any other place or quarter; (iii) any damage caused by or attributable to the condition or arrangement of any electric or other wiring; (iv) any damage caused by anything done or omitted to be done by any other tenant of the Property; or (v) any indirect or consequential damages suffered by the Tenant.

ARTICLE 11 - ASSIGNMENT AND SUBLETTING

11.1 Assignment, Subletting

The Tenant shall not affect any Transfer without the prior written consent of the Landlord, which shall not be unreasonably withheld. No consent to any Transfer shall relieve the Tenant from its obligation to pay Rent and to perform all of the covenants, terms and conditions herein contained. In the event of a Transfer, the Landlord may collect Rent or sums on account of Rent from the Transferee, and apply the net amount collected to the Rent payable hereunder but no such Transfer or collection or acceptance of the Transferee as tenant, shall be deemed to be a waiver of this covenant.

11.2 Factors for Consent

Notwithstanding the fact that the Landlord may not unreasonably withhold its consent to a Transfer, the Landlord will be considered to be reasonably withholding its consent if its reason or reasons for doing so is or are based upon all or any one or combination of any of the following factors:

- (a) any factor which a court of law would consider to be reasonable;
- (b) a proposed change in the use of the Premises to other than the use specified in Section 9.1;

- (c) the Transferee not having a satisfactory credit rating, not being of substantial means, not being capable of financing its acquisition of the Tenant's business (if it is so acquiring the Tenant's business) and the Lease on terms and conditions at least as favourable as those originally obtained by the Tenant, or not having a substantial history of successful business operations in the business to be conducted upon the Premises;
- (d) the Transferee, its principals or any partnership or corporation in which the Transferee or its principals was a member or a shareholder at the time (other than a public corporation) having become bankrupt or insolvent or having defaulted (other than by a minor technical default which shall be determined by the Landlord acting reasonably) under the terms of any lease for commercial, office or shopping centre premises whether leased from the Landlord or others;
- (e) the rent to be charged by the Tenant to the Transferee being less than the Rent reserved hereunder;
- (f) the Transferee does not intend to actually use and occupy the Premises in accordance with the terms of this Lease;
- (g) the Transferee being an existing tenant of the Landlord;
- (h) the Landlord having available for leasing to the Transferee other premises in the Property within three (3) months of the proposed effective date of the Transfer;
- (i) the giving of such consent would cause the Landlord to be in breach of restrictive clauses entered into with any other tenants by the Landlord;
- (j) the Transferee's business operations in the Premises would tend to lessen traffic or lower the merchandising image of the Property; or
- (k) the Landlord not being satisfied, acting reasonably, that the Transfer will not result in a reduction of Gross Revenue.

11.3 Landlord's Consent

If the Tenant desires to affect a Transfer, then and so often as such event shall occur, the Tenant shall make its request to the Landlord in writing. The Tenant's request shall contain the information required by Section 11.4, and the Landlord shall, within fourteen (14) days after receipt of such request, notify the Tenant in writing either that: (a) the Landlord consents or does not consent, as the case may be; or (b) the Landlord elects to cancel and terminate this Lease if the request is to assign the Lease or to sublet or otherwise transfer all of the Premises or, if the request is to sublet or otherwise transfer a portion of the Premises only, to cancel and terminate this Lease with respect to such portion. If the Landlord elects to cancel this Lease as aforesaid and so advises the Tenant in writing, the Tenant shall then notify the Landlord in writing within fifteen (15) days thereafter of the Tenant's intention either to refrain from such Transfer or to accept the cancellation of the Lease (in whole or in part, as the case may be). Failure of the Tenant to deliver notice to the Landlord within such fifteen (15) day period advising of the Tenant's desire to refrain from such Transfer shall be deemed to be an acceptance by the Tenant of the Landlord's cancellation of this Lease (in whole or in part, as the case may be). Any cancellation of this Lease pursuant to this Section 11.3 shall be effective on the later of the date originally proposed by the Tenant as being the effective date of the Transfer and the last day of the month sixty (60) days following the date of the Landlord's notice to cancel this Lease.

11.4 Requests for Consent

Requests by the Tenant for the Landlord's consent to a Transfer shall be in writing and shall be accompanied by the name, address, phone numbers, business experience, credit and financial information and banking references of the Transferee, and shall include a true copy of the document evidencing the proposed Transfer, and any agreement relating thereto. The Tenant shall also provide such additional information pertaining to the Transferee as the Landlord may reasonably require. The Landlord's consent shall be conditional upon the following:

- (a) the Tenant remaining fully liable to pay Rent and to perform all of the covenants, terms and conditions herein contained;

- (b) the Tenant having regularly and duly paid Rent and performed all the covenants contained in this Lease;
- (c) the Tenant paying to the Landlord, prior to receiving such consent, an administrative fee to the Landlord and all reasonable legal fees and disbursements incurred by the Landlord in connection with the Transfer;
- (f) the Tenant paying to the Landlord, as Additional Rent, all excess rent and other profit earned by the Tenant in respect of the Transfer; and
- (e) the Landlord receiving sufficient information from the Tenant or the Transferee to enable it to make a determination concerning the matters set out above and in Section 12.2.

11.5 Change of Control

Any transfer or issue by sale, assignment, bequest, inheritance, operation of law, or other disposition, or by subscription, of any part or all of the corporate shares of the Tenant or any other corporation, which would result in any change in the effective direct or indirect control of the Tenant, shall be deemed to be a Transfer, and the provisions of this Article 11 shall apply *mutatis mutandis*. The Tenant shall make available to the Landlord or to its lawful representatives such books and records for inspection at all reasonable times in order to ascertain whether there has, in effect, been a change in control. This provision shall not apply if the Tenant is a public company or is controlled by a public company listed on a recognized stock exchange and such change occurs as a result of trading in the shares of a corporation listed on such exchange.

11.6 Terms of Transfer

In the event of a Transfer, Landlord shall have the following rights, in default of any of which no such Transfer shall occur or be effective:

- (a) to require the Transferee to enter into an agreement with the Landlord to be bound by all of the Tenant's obligations under this Lease, and to waive any right it, or any person on its behalf, may have to disclaim, repudiate or terminate this Lease pursuant to any bankruptcy, insolvency, winding-up or other creditors' proceeding, including, without limitation, the *Bankruptcy and Insolvency Act* (Canada) or the *Companies' Creditors Arrangement Act* (Canada), and to agree that in the event of any such proceeding the Landlord will comprise a separate class for voting purposes;
- (b) to require the Transferee to waive any rights, pursuant to subsection 39(2) of the *Commercial Tenancies Act* (Ontario) and any amendments thereto and any other statutory provisions of the same or similar effect, to pay any Rent less than any amount payable hereunder; and
- (c) to require, if the Transfer is a sublease or other transaction other than an assignment, that upon notice from the Landlord to the Transferee all amounts payable by the Transferee each month shall be paid directly to the Landlord who shall apply the same on account of the Tenant's obligations under this Lease.

11.7 No Advertising

The Tenant shall not advertise that the whole or any part of the Premises is available for assignment or sublease, and shall not permit any broker or other person to do so unless the text and format of such advertisement is approved in writing by the Landlord. No such advertisement shall contain any reference to the rental rate of the Premises.

11.8 Assignment by Landlord

In the event of the sale or lease by the Landlord of its interest in the Property or any part or parts thereof, and in conjunction therewith the assignment by the Landlord of this Lease or any interest of the Landlord herein, the Landlord shall be relieved of any liability under this Lease in respect of matters arising from and after such assignment.

11.9 Status Certificate

The Tenant shall, on ten (10) days' notice from the Landlord, execute and deliver to the Landlord a statement as prepared by the Landlord in writing certifying the following: (a) that this Lease is unmodified and in full force and effect, or, if modified, stating the modifications and that the same is in full force and effect as modified; (b) the amount of the annual rent then being paid; (c) the dates to which annual rent, by installments or otherwise, and other Additional Rent or charges have been paid; and (d) whether or not there is any existing default on the part of the Landlord of which the Tenant has notice.

11.10 Subordination and Non-Disturbance

This Lease and all of the rights of the Tenant hereunder are and shall at all times be subject and subordinate to any and all Mortgages and any renewals or extensions thereof, now or hereinafter in force against the Premises. Upon the request of the Landlord, the Tenant shall promptly subordinate this Lease and all its rights hereunder in such form or forms as the Landlord may require to any such Mortgage or Mortgages, and to all advances made or hereinafter to be made upon the security thereof and will, if required, attorn to the holder thereof. No subordination by the Tenant shall have the effect of permitting a Mortgagee to disturb the occupation and possession by the Tenant of the Premises or of affecting the rights of the Tenant pursuant to the terms of this Lease, provided that the Tenant performs all of its covenants, agreements and conditions contained in this Lease and contemporaneously executes a document of attornment as required by the Mortgagee.

ARTICLE 12 - QUIET ENJOYMENT

12.1 Quiet Enjoyment

The Tenant, upon paying the Rent hereby reserved, and performing and observing the covenants and provisions herein required to be performed and observed on its part, shall peaceably enjoy the Premises for the Term.

ARTICLE 13 - DAMAGE AND DESTRUCTION

13.1 Damage or Destruction to Premises

If the Premises or any portion thereof are damaged or destroyed by fire or by other casualty, rent shall abate in proportion to the area of that portion of the Premises which, in the opinion of the Landlord's architect or professional engineer, is thereby rendered unfit for the purposes of the Tenant until the Premises are repaired and rebuilt, and the Landlord shall repair and rebuild the Premises. The Landlord's obligation to repair and rebuild shall not include the obligation to repair and rebuild any chattel, fixture, leasehold improvement, installation, addition or partition in respect of which the Tenant is required to maintain insurance hereunder, or any other property of the Tenant. Rent shall recommence to be payable one (1) day after the Landlord notifies the Tenant that the Tenant may reoccupy the Premises for the purpose of undertaking its work.

13.2 Rights to Termination

Notwithstanding Section 13.1:

- (a) if the Premises or any portion thereof are damaged or destroyed by any cause whatsoever and cannot, in the opinion of the Landlord's architect or professional engineer, be rebuilt within one hundred and twenty (120) days of the damage or destruction, the Landlord may, instead of rebuilding the Premises, terminate this Lease by giving to the Tenant within thirty (30) days after such damage or destruction notice of termination and thereupon rent and other payments hereunder shall be apportioned and paid to the date of such damage or destruction and the Tenant shall immediately deliver up vacant possession of the Premises to the Landlord; and
- (b) if the Property shall, at any time, be wholly or partially destroyed or damaged (whether or not the Premises have been affected) to the extent that twenty-five percent (25%) or more of the gross floor area of the Property has become unfit for use, the Landlord may elect, within thirty (30) days from the date of such damage,

to terminate this Lease on thirty (30) days' notice to the Tenant, in which event rent shall remain payable until the date of termination (unless it has abated under Section 13.1).

13.3 Certificate Conclusive

Any decisions regarding the extent to which the Premises or any portion of the Property has become unfit for use shall be made by an architect or professional engineer appointed by the Landlord, whose decision shall be final and binding upon the parties.

13.4 Insurance Proceeds

Notwithstanding Sections 14.1 and 14.2, in the event of damage or destruction occurring by reason of any cause in respect of which proceeds of insurance are substantially insufficient to pay for the costs of rebuilding the Property or the Premises, or are not payable to or received by the Landlord, or in the event that any mortgagee or other person entitled thereto shall not consent to the payment to the Landlord of the proceeds of any insurance policy for such purpose, or in the event that the Landlord is not able to obtain all necessary governmental approvals and permits to rebuild the Property or the Premises, the Landlord may elect, on written notice to the Tenant, within thirty (30) days of such damage or destruction, to terminate this Lease, and the Tenant shall immediately deliver up vacant possession of the Premises to the Landlord.

13.5 Landlord's Work

In performing any reconstruction or repair, the Landlord may effect changes to the Property and its equipment and systems and minor changes in the location or area of the Premises. The Landlord shall have no obligation to grant to the Tenant any Tenant's allowances to which it may have been entitled at the beginning of the Term, and shall have no obligation to repair any damage to Leasehold Improvements or the Tenant's fixtures.

13.6 Expropriation

If during the Term all or any part of the Premises are taken or expropriated by any lawful expropriating authority, or purchased under threat of such taking, or if part of the Property is taken so that substantial alteration or reconstruction of the Property, whether or not the Premises are or may be affected, is necessary or desirable as a result thereof this Lease shall automatically terminate on the date on which the expropriating authority takes possession of the Premises or Property, as applicable. Upon any such taking or purchase, the Landlord shall be entitled to receive and retain the entire award or consideration for the affected lands and improvements, and the Tenant shall not have nor advance any claim against the Landlord for the value of its property or its leasehold estate or the unexpired Term of the Lease, or for costs of removal or relocation, or business interruption expense or any other damages arising out of such taking or purchase. Nothing herein shall give the Landlord any interest in or preclude the Tenant from seeking and recovering on its own account from the expropriating authority any award or compensation attributable to the taking or purchase of the Tenant's improvements, chattels or trade fixtures, or the removal or relocation of its business and effect, or the interruption of its business. If any such award made or compensation paid to either party specifically includes an award or amount for the other, the party first receiving the same shall promptly account therefore to the other.

ARTICLE 14 - DEFAULT

14.1 Default and Right to Re-Enter

Any of the following constitutes an Event of Default under this Lease:

- (a) any Rent due is not paid within five (5) days after notice in writing from the Landlord to the Tenant;
- (b) the Tenant has breached any of its obligations in this Lease and, if such breach is capable of being remedied and is not otherwise listed in this Section 14.1, after notice in writing from the Landlord to the Tenant:

- (i) the Tenant fails to remedy such breach within ten (10) days (or such shorter period as may be provided in this Lease); or
- (ii) if such breach cannot reasonably be remedied within ten (10) days or such shorter period, the Tenant fails to commence to remedy such breach within ten (10) days of such breach, or thereafter fails to proceed diligently to remedy such breach;
- (c) the Tenant becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors or makes any proposal, an assignment or arrangement with its creditors, or any steps are taken or proceedings commenced by any person for the dissolution, winding-up or other termination of the Tenant's existence or the liquidation of its assets;
- (d) a trustee, receiver, receiver/manager or a person acting in a similar capacity is appointed with respect to the business or assets of the Tenant;
- (e) the Tenant makes a sale in bulk of all or a substantial portion of its assets, other than in conjunction with an assignment or sublease approved by the Landlord;
- (f) this Lease or any of the Tenant's assets are taken under a writ of execution and such writ is not stayed or vacated within fifteen (15) days after the date of such taking;
- (g) the Tenant effects a Transfer other than in compliance with the provisions of this Lease;
- (h) the Tenant abandons or attempts to abandon the Premises or the Premises become vacant or substantially unoccupied for a period of five (5) consecutive days or more;
- (i) the Tenant moves or commences, attempts or threatens to move its trade fixtures, chattels and equipment out of the Premises; or
- (j) any insurance policy covering any part of the Property is, or is threatened to be, cancelled or adversely changed (including a substantial premium increase) as a result of any action or omission by the Tenant or any person for whom it is legally responsible.

14.2 Default and Remedies

If and whenever an Event of Default occurs, then, without prejudice to any other rights which it has pursuant to this Lease or at law, the Landlord shall have the following rights and remedies, which are cumulative and not alternative:

- (a) to terminate this Lease by notice to the Tenant or to re-enter the Premises and repossess them and, in either case, enjoy them as of its former estate, and to remove all persons and property from the Premises and store such property at the expense and risk of the Tenant or sell or dispose of such property in such manner as the Landlord sees fit without notice to the Tenant. If the Landlord enters the Premises without notice to the Tenant as to whether it is terminating this Lease under this Section 14.2(a) or proceeding under Section 14.2(b) or any other provision of this Lease, the Landlord shall be deemed to be proceeding under Section 14.2(b), and the Lease shall not be terminated, nor shall there be any surrender by operation of law, but the Lease shall remain in full force and effect until the Landlord notifies the Tenant that it has elected to terminate this Lease. No entry by the Landlord during the Term shall have the effect of terminating this Lease without notice to that effect to the Tenant;
- (b) to enter the Premises as agent of the Tenant to do any or all of the following: (i) relet the Premises for whatever length and on such terms as the Landlord, in its discretion, may determine and to receive the rent therefore; (ii) take possession of

any property of the Tenant on the Premises, store such property at the expense and risk of the Tenant, or sell or otherwise dispose of such property in such manner as the Landlord sees fit without notice to the Tenant; (iii) make alterations to the Premises to facilitate their reletting; and (iv) apply the proceeds of any such sale or reletting first, to the payment of any expenses incurred by the Landlord with respect to any such reletting or sale, second, to the payment of any indebtedness of the Tenant to the Landlord other than Rent, and third, to the payment of Rent in arrears, with the residue to be held by the Landlord and applied to payment of future Rent as it becomes due and payable, provided that the Tenant shall remain liable for any deficiency to the Landlord;

- (c) to remedy or attempt to remedy any default of the Tenant under this Lease for the account of the Tenant and to enter upon the Premises for such purposes. No notice of the Landlord's intention to remedy or attempt to remedy such default need be given to the Tenant unless expressly required by this Lease, and the Landlord shall not be liable to the Tenant for any loss, injury or damages caused by acts of the Landlord in remedying or attempting to remedy such default. The Tenant shall pay to the Landlord all expenses incurred by the Landlord in connection therewith;
- (d) to recover from the Tenant all damages, costs and expenses incurred by the Landlord as a result of any default by the Tenant including, if the Landlord terminates this Lease, any deficiency between those amounts which would have been payable by the Tenant for the portion of the Term following such termination and the net amounts actually received by the Landlord during such period of time with respect to the Premises; and
- (e) to recover from the Tenant the full amount of the current month's Rent together with the next three months' installments of Rent, all of which shall immediately become due and payable as accelerated rent.

14.3 Distress

Notwithstanding any provision of this Lease or any provision of any applicable legislation, none of the goods and chattels of the Tenant on the Premises at any time during the Term shall be exempt from levy by distress for Rent in arrears, and the Tenant waives any such exemption. If the Landlord makes any claim against the goods and chattels of the Tenant by way of distress, this provision may be pleaded as an estoppel against the Tenant in any action brought to test the right of the Landlord to levy such distress.

14.4 Costs

The Tenant shall pay to the Landlord all damages, costs and expenses (including, without limitation, all legal fees on a substantial indemnity basis) incurred by the Landlord in enforcing the terms of this Lease, or with respect to any matter or thing which is the obligation of the Tenant under this Lease, or in respect of which the Tenant has agreed to insure or to indemnify the Landlord.

14.5 Remedies Cumulative

Notwithstanding any other provision of this Lease, 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, by statute or common law, all of which rights and remedies are intended to be cumulative and not alternative. The express provisions contained in this Lease as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Landlord by statute or common law.

ARTICLE 15 - GENERAL

15.1 Entry

Provided that the Tenant has not exercised any option to extend this Lease as provided herein, the Landlord shall be entitled, without notice to or consent by the Tenant:

(a) at any time during the last nine (9) months of the Term, to place upon the exterior of the Premises, the Landlord's usual notice(s) that the Premises are for rent; and

(b) at any time during the last nine (9) months of the Term, on reasonable prior notice, to enter upon the Premises during Normal Business Hours for the purpose of exhibiting same to prospective tenants.

The Landlord may enter the Premises at any time during the Term upon reasonable notice for the purpose of exhibiting the Premises to prospective Mortgagees and/or purchasers or for the purpose of inspecting the Premises.

15.2 Force Majeure

Notwithstanding any other provision contained herein, in the event that either the Landlord or the Tenant should be delayed, hindered or prevented from the performance of any act required hereunder by reason of any unavoidable delay, including strikes, lockouts, unavailability of materials, inclement weather, acts of God or any other cause beyond its reasonable care and control, but not including insolvency or lack of funds, then performance of such act shall be postponed for a period of time equivalent to the time lost by reason of such delay. The provisions of this Section 15.2 shall not under any circumstances operate to excuse the Tenant from prompt payment of Rent and/or any other charges payable under this Lease.

15.3 Effect of Waiver or Forbearance

No waiver by any party hereto of any breach by any other party of any of its covenants, agreements or obligations contained in this Lease shall be or be deemed to be a waiver of any subsequent breach thereof or the breach of any other covenants, agreements or obligations nor shall any forbearance by any party hereto to seek a remedy for any breach by any other party be a waiver by the party so forbearing of its rights and remedies with respect to such breach or any subsequent breach. The subsequent acceptance of Rent by the Landlord shall not be deemed a waiver of any preceding breach by the Tenant of any term, covenant or condition regardless of the Landlord's knowledge of such preceding breach at the time of the acceptance of such Rent. All Rent and other charges payable by the Tenant to the Landlord hereunder shall be paid without any deduction, set off or abatement whatsoever, and the Tenant hereby waives the benefit of any statutory or other right in respect of abatement or set off in its favour at the time hereof or at any future time.

15.4 Notices

Any notice, delivery, payment or tender of money or document(s) to the parties hereunder may be delivered personally or sent by prepaid registered or certified mail or prepaid courier to the address for such party as set out in Section 1.1(a), (b) or (c), as applicable, and any such notice, delivery or payment so delivered or sent shall be deemed to have been given or made and received upon delivery of the same or on the third (3rd) business day following the mailing of same, as the case may be. Each party may, by notice in writing to the others from time to time, designate an alternative address in Canada to which notices given more than ten (10) days thereafter shall be addressed.

Notwithstanding the foregoing, any notice, delivery, payment or tender of money or document(s) to be given or made to any party hereunder during any disruption in the service of the Canada Post Office shall be deemed to have been received only if delivered personally or sent by prepaid courier.

15.5 Registration

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 Property. The Tenant may

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 reasonable costs on account of the matter. The Landlord may limit such registration to one or more parts of the Property. Upon the expiration or earlier termination of the Term, the Tenant shall immediately discharge or otherwise vacate any such notice or caveat. If any part of the Property which, in the opinion of Landlord, is 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 Property is made subject to any easement, rightofway or similar right, the Tenant shall immediately, at the request of the Landlord, postpone its registered interest to such easement, rightofway or similar right.

15.6 Number, Gender, Effect of Headings

Words importing the singular number only shall include the plural and *vice versa*, words importing the masculine gender shall include the feminine and neuter genders, and words importing persons shall include firms and corporations and *vice versa*. The division of this Lease into Articles and Sections and the insertion of headings are for convenience of reference only, and shall not affect the construction or interpretation of this Lease.

15.7 Severability, Subdivision Control

If any Article or Section or part or parts of an Article or Section in this Lease be illegal or unenforceable, it or they shall be considered separate and severable from the Lease and the remaining provisions of this Lease shall remain in full force and effect and shall be binding upon the Landlord and the Tenant as though such Article or Section or parts or parts thereof had never been included in this Lease. It is an express condition of this Lease that the subdivision control provisions of the applicable provincial legislation be complied with, if necessary. If such compliance is necessary, the Tenant covenants and agrees to diligently proceed, at its own expense, to obtain the required consent and the Landlord agrees to co-operate with the Tenant in bringing such application.

15.8 Entire Agreement

There are no covenants, representations, warranties, agreements or other conditions expressed or implied, collateral or otherwise, forming part of or in any way affecting or relating to this Lease, save as expressly set out or incorporated by reference herein and this Lease constitutes the entire agreement duly executed by the parties hereto, and no amendment, variation or change to this Lease shall be binding unless the same shall be in writing and signed by the parties hereto.

15.9 Successors and Assigns

The rights and liabilities of the parties shall ensure to the benefit of their respective heirs, executors, administrators, successors and assigns, subject to any requirement for consent by the Landlord hereunder.

15.10 Confidentiality

The contents, terms and conditions of this Lease shall be kept strictly confidential by the Tenant. The Tenant shall not, under any circumstances, discuss or reveal the details of this Lease with any arm's-length parties including, but not limited to, any other tenants in the Property, prospective tenants, real estate agents or others except the Tenant's legal and financial advisors, any *bona fide* Transferee, and except as may be required by law.

IN WITNESS WHEREOF the parties hereto have duly executed this Lease.

LANDLORD: The Corporation of the Town of Grand Valley

Witness: _____ Per: _____

Name: Name:

TENANT: Highlands Health Network Inc.



Name: *Deepkiran Bhogal*

Name: *CHARLIE JOYCE*

Title: *LEAD PHYSICIAN*

I/We have the authority to bind the Corporation