Court File No. VLC-S-H-220132 Vancouver Registry

# IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE RECEIVERSHIP OF THE ASSETS, UNDERTAKINGS AND PROPERTIES OF 0876242 B.C. LTD. AND GATEWAY DEVELOPMENT LIMITED PARTNERSHIP PURSUANT TO SECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 39 OF THE LAW AND EQUITY ACT, R.S.B.C. 1996 c. 253 AS AMENDED

# SUPPLEMENTAL REPORT TO THE RECEIVER'S SECOND REPORT TO COURT

August 18, 2022



# IN THE MATTER OF THE RECEIVERSHIP OF 0876242 B.C. LTD. AND GATEWAY DEVELOPMENT LIMITED PARTNERSHIP

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# I. PURPOSE OF THE REPORT

- 1. This is the Receiver's Supplemental Report to the Receiver's Second Report to Court dated August 12, 2022 (the "Second Report").
- 2. Capitalized terms not otherwise defined herein have the same meanings as defined in the Second Report.
- 3. The purpose of this report is to provide the Court with:
  - List of creditors and limited partners of the Companies the Receiver is aware of and the estimated amounts owing to them; and,
  - Information on the Pre-Sale Contract deposits.

# II. CREDITORS AND LIMITED PARTNERS

- The Receiver has not been provided any financial information from the Companies. Accordingly, the Receiver does not have a complete list of creditors or limited partners and cannot confirm the total amounts owing to them.
- 5. The Receiver has been contacted by several creditors and limited partners since the receivership. Summarized in the table on the following page is a list of creditors and limited partners and their expected claim amounts:

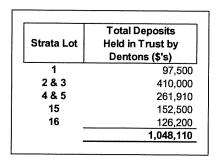
Creditor / Limited Partners	Estimated Amount Owing (\$'s)
Creditors	
Prism Construction Ltd.	800,000
Fasken Martineau DuMoulin LLP	150,000
Concrete Philosopher	36,036
Ron Wong & Associates Inc.	5,250
Aqua-Coast Engineering Ltd.	4,643
Riteway Fencing (1999) Inc.	3,344
	999,273
Limited Partners	
Storage Capital	5,000,000
Seeb Capital Ltd.	4,445,000
Rannoch Capital Limited Partnership	1,041,672
Mark Vanry	250,000
	10,736,672
Total Expected Claims from Creditors and Limited Partners	11,735,945

- 6. These are the amounts the Receiver has been advised from the unsecured creditors and limited partners that would be claimed. These amounts would need to be verified by the Receiver in a formal claims process.
- 7. The limited partners, Storage Capital, Seeb Capital Ltd., Rannoch Capital Limited Partnership and Mark Vanry (the "Limited Partners") have indicated that they support the stalking horse sales process as outlined in the Second Report. The Limited Partners believe that the best way for any recovery to Limited Partners is the proposed stalking horse sales process.
- 8. The Limited Partners, Seeb Capital Ltd. and Rannoch Capital Limited Partnership and Mark Vanry have provided letters to the Receiver indicating that they support the stalking horse sales process which are attached as **Appendix A**.



# III. DEPOSITS HELD FOR PRE-SALE CONTRACTS

- 9. The deposits for the Pre-Sale Contracts for strata lots 1 to 5 and 15 to 16 are held by Dentons Canada LLP ("**Dentons**") in trust in the total amount of \$1,048,110 plus interest accrued of \$16,000 as at May 31, 2022.
- 10. Attached as **Appendix B** is a trust deposit sheet from Dentons which is summarized as follows:



- 11. The deposits for the Pre-Sale Contracts for strata lots 12 to 14 with NYX Capital Investments Corp. ("NYX") are held by Fasken Martineau DuMoulin LLP in the total amount of \$800,000 with interest accrued of \$4,000 as at July 8, 2022.
- 12. NYX is also the pre-sale purchaser for second floor units which are strata lots 6 to 11 (the "Second Floor Units"). The Second Floor Units were subject to a lease agreement with Suna Entertainment Group Inc. (the "Suna Lease"). A copy of the Suna Lease is attached as Appendix C.
- 13. NYX's pre-sale contract for the Second Floor Units included a condition that the Suna Lease be terminated prior to payment of a deposit. The Receiver believes that the Suna Lease was not terminated so NYX has not paid a deposit for the Second Floor Units.
- 14. If an order is granted to terminate all Pre-Sale Contracts the Receiver would arrange to have the deposits held in trust to be paid back to the pre-sale purchasers with their prorata share of the interest.



# IV. CONCLUSION

15. The Receiver submits this Supplemental Report to the Court to further support for an order terminating all Pre-Sale Contracts and approving the stalking horse sales process as outlined in the Second Report.

All of which is respectfully submitted to this Honourable Court this 18th day of August 2022.

# The Bowra Group Inc., LIT

in its capacity as Receiver of 0876242 B.C. Ltd. and Gateway Development Limited Partnership

Per: Mario Mainella, CPA, CA, CIRP



# **APPENDIX A**

Letters from Seeb Capital Ltd. and Rannoch Capital Limited Partnership and Mark Vanry

# **DROUILLARD LAWYERS**

1910-777 Hornby Street Vancouver, BC V6Z 1S4

T: 604-564-4017 | F: 604-484-8229

August 17, 2022

DLA Piper (Canada) LLP Suite 2800, Park Place 666 Burrard St Vancouver, BC V6C 2Z7

Attention: Colin Brousson

Dear Sirs/Mesdames:

## Re: Notice of application of The Bowra Group Inc., returnable August 19, 2022, regarding Institutional Mortgage Capital Canada Inc., as General Partner of IMC Limited Partnership, v. 0876242 B.C. Ltd. et al, Vancouver BCSC, VLC-S-H-220132

We are legal counsel to Seeb Capital Ltd.

Because of cost concerns, relating to the money our client has already lost on this investment, our client has not instructed us to appear in court this coming Friday. We request this letter be brought to the attention of the court.

Our client has an ongoing action against 0876242 B.C. Ltd. and other defendants filed with the Vancouver Registry of this Court under VLC-S-S-214245. It seeks judgment in the amount of \$4,445,000 on the basis that 0876242 B.C. Ltd. and the other defendants breached an Limited Partnership Purchase Agreement relating to this project. Our client claims an interest in the project lands, although its certificate of pending litigation was recently discharged by order of this court.

We have reviewed the notice of application with our client. We have been told by The Bowra Group Inc. that if the pre-sale contracts are not disclaimed, there will be no prospect of recovery for unsecured creditors.

Our client supports the receiver's application and the orders sought.

Yours truly,

**DROUILLARD LAWYERS** 

Per: Michael L. Drouillard\* \* Practices through a law corporation

17 August 2022

## VIA EMAIL: <u>kkoo@bowragroup.com</u>

The Bowra Group 430 – 505 Burrard Street Vancouver, BC V7X 1M3

## Attention: Kevin Koo

Dear Sirs/Mesdames:

# Re: Gateway Development Limited Partnership

We (Rannoch Capital Limited Partnership and Mark Vanry) are limited partners in the Gateway Development Limited Partnership (the "**LP**").

The LP was established to finance and develop a light industrial and storage development project (the "**Project**") at property located at 3333 Bridgeway Street, Vancouver, BC.

Together, we invested a total of \$1,291,672 in the LP.

We have been concerned for some time about the management and operation of the LP and the general partner's failure to advance and complete the Project. As a consequence, we commenced Vancouver Registry No. VLC-S-S-215718 in the Supreme Court of British Columbia.

We are aware that the Bowra Group was appointed receiver and manager of the Project on 10 May 2022 and further, that the Bowra Group has been tasked with the responsibility of completing the Project.

We have reviewed and considered the application materials that the Bowra Group filed on 12 August 2022 in Vancouver Registry No. VLC-S-H-220132 in the Supreme Court of British Columbia.

We write to advise that we are supportive of the sale procedure (as that term is defined in the notice of application). We want to ensure that our interests as limited partners are recognized in the process. The only prospect that the limited partners will realize any return on their investments is if Cushman diligently executes the marketing strategy that it prepared, and every effort is made to obtain the highest sales price for the Project. We look forward to learning the outcome of your application.

Yours truly,

James Foley

Rannoch Capital Limited Partnership

Yours truly, F1134E4E46744C3.

Mark Vanry

# **APPENDIX B**

Trust Deposit Sheet Prepared by Dentons Canada LLP

nt (576942-200) - TRUST DEPOSIT SHEET as at June 30, 2022	3rd Deposit Purchaser	\$ 97.500.00 Blact Media Print Corn	410.000.00	\$							. 2			152.500				•	\$ - GWU Holdings Ltd.	
76942-200) - TRUST DE	2nd Deposit 3rd D	87,500.00	Ş											142,500.00	116,200.00					
Gateway Development (5	1st Deposit	t0,000.00 \$	10,000.00	10,000.00										10,000.00	10,000.00 \$					
Gatewi	Purchase Price	\$ 975,000.00 \$	\$ 2,000,000.00 \$	\$ 2,519,100.00 \$										1,425,500.00	\$ 1,166,200.00 \$				ş 1,653,725.00	
	Unit No	110	120 & 130	140 & 150	210	220	230	240	250	260	300	400	500			630	640		660	
	Strata Lot	1	2&3	4& 5	9	۲	8	6	10	11	12	13	14	15	16	17	18	19	7	

# APPENDIX C

Lease Agreement with Suna Entertainment Group Inc.

# Gateway

# LIGHT INDUSTRIAL LEASE

Landlord:	Gateway Development Limited Partnership
Tenant:	Suna Entertainment Group Inc.
Guarantor:	Amrit Maharaj
Date:	November 27, 2018

VDO\_DOCS: 998069 v3

CW11731240.1

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## DEFINITIONS

# Gateway

### LIGHT INDUSTRIAL LEASE

THIS LEASE dated <u>November 27, 2018</u>, is made and entered into by the Landlord and Tenant named herein who, in consideration of the rents and covenants herein contained, agree as follows:

### ARTICLE 1

# BASIC TERMS, SCHEDULES, DEFINITIONS

1.1 - <u>Basic Terms</u> . The basic terms of this Lease are:			
(a)	(i)	Landlord:	Gateway Development Limited Partnership
	(ii)	Address of Landlord:	325 West 4 <sup>th</sup> Avenue Vancouver, British Columbia V5Y 1H3
(b)	(i	Tenant (legal name):	Suna Entertainment Group Inc.
	(ii)	Address of Tenant:	1385 Odlum Drive Vancouver, British Columbia V5L 3M3
	(iii)	Telephone/Email:	(604) 563-5460 / rob@sunagroup.ca
	(iv)	Individual to Contact:	Robert James Stewart
(c)	(i)	Guarantor(s):	Amrit Maharaj
	(ii)	Address of Guarantor(s):	Unit 305 – 1365 West 4 <sup>th</sup> Avenue, Vancouver, V6H 3Y8
			Tel: 604-889-5865
(d)	Premises:		Strata Lots 6 to 11, 3399 Bridgeway Street, Vancouver, B.C.
(e)	Floor Area of Premises:		Approx. 16,891 sq. ft. (1,569.2252m²).
(f)	Term:		Five (5) years
(g)	g) Commencement Date:		The Term of the Lease will commence upon the expiry of the Fixturing Period set out in Schedule "D".

#### (h) Minimum Rent:

	Per Square Foot		
<u>Lease Year</u>	Per Annum	Per Annum	Per Month
Years 1 – 2	\$18.00	\$304,038.00	\$25,336,50
Years 3 – 5	\$21.00	\$354,711.00	\$29,559.25

#### (i) Percentage Rent Rate: N/A Permitted Business: (j) The Premises shall be used for the purpose of an artist, musician and recording artist space as prescribed I-1 zoning bylaw requirements and no other use without the prior written consent of the Landlord. **Operating Name of Business:** (k) Suna Studios or such other name as reasonably determined by Tenant, with Landlord's written consent, acting reasonably. (I) Prepaid Rent: \$60,000.00

The foregoing basic terms are hereby approved by the parties and each reference in this Lease to any of the basic terms shall be construed to include the provisions set forth above as well as all of the additional terms and conditions of the applicable Sections of this Lease where such basic terms are more fully set forth.

1.2 - <u>Schedules</u>. The schedules attached to this Lease are incorporated into and form an integral part of this Lease and are as follows:

Schedule "A" - Description of Property Schedule "B" - Plan of Premises Schedule "C" - Rules and Regulations Schedule "D" – Special Conditions and Addenda (if any) Schedule "E" – Landlord's and Tenant's Work Schedule "F" – Personal Guarantee Agreement

1.3 - <u>Definitions</u>. In this Lease, the words, phrases and expressions set forth in Article 16 are used with the meanings defined therein.

#### **ARTICLE 2**

#### LEASE

**2.1 - Lease.** The Landlord, being the owner of the estate in fee simple subject to registered encumbrances, liens and interests, if any, in the Premises, does hereby lease to the Tenant the Premises TO HAVE AND TO HOLD during the Term on the terms and conditions of this Lease.

2.2 - <u>Term</u>. The Term of this Lease will be for the period set out in Section 1.1(f) and will commence on the Commencement Date set out in Section 1.1(g).

2.3 - Prepaid Rent. Within thirty (30) days of this Lease being executed by both the Landlord and the Tenant, the Tenant shall provide the Landlord with the amount set out in Section 1.1(I) which shall be held by the Landlord without interest until the expiry of the Term, hereinafter defined, as it may be extended from time to time, as non-refundable pre-paid rent for application to the period immediately preceding the expiry of the Term. In the event that the Tenant is in default of the payment of Rent under the Lease during the Term, and if the Tenant has not cured such default within the notice period set out in the Lease, the Landlord shall be entitled, upon expiry of such notice period, to draw upon the Prepaid Rent in whole or in part, without notice to the Tenant, and apply same to such arrears. Further, in the event that the Lease is terminated by the Landlord prior to the expiry of the Term, it is agreed by the Tenant that the Landlord shall be entitled to apply, at its option, the Prepaid Rent to any arrears of Rent up to and including the date of termination, and thereafter to the Landlord's damages caused as a result of the breach and the forfeiture of the Lease, all without prejudice to the Landlord's rights to recover the balance of any loss, damages or expense which the Landlord has suffered as a result of early termination of the Lease. If the Landlord has applied all or a portion of the Prepaid Rent against any arrears in accordance with this Section, the Tenant shall replenish the Prepaid Rent to its original amount by delivering to the Landlord a sufficient amount by bank draft or certified cheque upon five (5) business days of the Landlord's written demand to the Tenant.

#### ARTICLE 3

#### RENT

**3.1 – <u>Minimum Rent and Additional Rent</u>.** Commencing on the Commencement Date the Tenant will pay to the Landlord, or as the Landlord may in writing direct, in lawful money of Canada without any abatement, set-off, compensation or deduction whatsoever, Rent which shall be the aggregate of:

- (a) Minimum Rent for each Lease Year in the amount per square foot per annum set out in Section 1.1(h) multiplied by the Floor Area of the Premises, payable in equal monthly instalments in advance on the first day of each month; and
- (b) Additional Rent for each Lease Year comprising without duplication:
  - any Operating Costs which, in accordance with Section 3.7 of this Lease, are allocated to the Premises;
  - the Tenant's Proportionate Share of Operating Costs (which the Tenant acknowledges, may include a portion of certain costs incurred in respect of all or a portion of the Complex which are or may become payable by the Landlord and will be allocated by the Landlord, acting reasonably, using Generally Accepted Accounting Principles);

- the Property Taxes payable by the Landlord in respect of the Premises if such Property Taxes are allocated specifically to the Premises by the taxing authority and, to the extent such allocation is not made, the Tenant's Proportionate Share of Property Taxes;
- (iv) the cost of electricity, gas, other fuel, water, telephone and other utilities consumed on the Premises in accordance with Section 10.1, and any other costs which relate directly to the Premises and the Tenant's use of the Premises, and
- a management fee in consideration of certain management and administration services provided by the Landlord equal to 7% of Minimum Rent for such Lease Year;
- (c) if the Property is stratified by the deposit of a strata plan pursuant to the Strata Property Act (British Columbia) or any act subsequently replacing it, the Tenant's share of all assessments, levies or contributions levied by the strata corporation against the Landlord in respect of the strata lot or strata lots in which the Premises are located, promptly when due, such share to be the fraction having as its numerator the Floor Area of the Premises and as its denominator, the total Floor Area of the strata lots or strata lots in which the Premises are located;

3.2 - <u>Payment of Additional Rent</u>. The amount of the Additional Rent which the Tenant is to pay shall be estimated by the Landlord for such period as the Landlord may determine from time to time. The Tenant agrees to pay to the Landlord such amount in monthly instalments in advance during each such period on the first day of each calendar month. Payments on account of Additional Rent shall be accounted for, and an adjustment made, if necessary, in accordance with Section 3.6.

# 3.3 - Monthly Reporting of Gross Sales and Payment of Percentage Rent. Intentionally deleted.

## 3.4 - Annual Statement of Gross Sales. Intentionally deleted.

### 3.5 - Overpayment by Tenant. Intentionally deleted.

**3.6** - <u>Reporting of Operating Costs and Property Taxes</u>. After the end of each Fiscal Year, the Landlord shall furnish to the Tenant a statement of the Operating Costs and Property Taxes for such Fiscal Year and the Tenant's Proportionate Share or Particular Share, as the case may be, thereof. If the amount payable by the Tenant as shown on any such statement is greater or less than the aggregate of amounts paid by the Tenant pursuant to Section 3.1(c), the proper adjusting credit shall be made by the Landlord or payment made by the Tenant, as the case may be, within 30 days after delivery of the statement. Any credit made by the Landlord or payment made by the Tenant and accepted by the Landlord in respect of any adjustment made hereunder, shall be without prejudice to the right of the Landlord to claim a re-adjustment provided such claim is made within 12 months from the date of delivery of the statement referred to in this Section 3.6.

3.7 - Complex Operating Costs. The Tenant acknowledges that the Premises and the Landlord's Property form part of the Complex and that the Landlord or the Strata Corporation may enter into agreements or other arrangements pursuant to which certain operating, maintenance or other services will be provided to the entire Complex or a portion of the Complex which includes the Premises and/or another portion of the Landlord's Property. If the Landlord or the Strata Corporation elects to enter into any such agreement or other arrangement, the Landlord will be entitled to allocate any amount payable by the Landlord under such agreement or other arrangement to the Premises, any other portion of the Landlord's Property and/or any portion of the Residential Component (if applicable) owned by the Landlord based upon the Landlord's reasonable estimate of the portion of such amount which relates to or is attributable to each such area. In particular, the Tenant acknowledges that all operating costs or expenses related to the Commercial Section Parking Facility (including property taxes, if applicable) will be allocated by the Strata Corporation and/or the Landlord to the entire Complex and that the portion of such amount payable by the Landlord will be allocated in a reasonable manner by the Landlord to the portion of the Complex owned by the Landlord and that the amount so allocated to the Premises or the Landlord's Property generally will be included in the costs allocated to the Premises pursuant to Section 3.1(a) or in Operating Costs or Property Taxes, as appropriate, respectively.

3.8 - <u>Goods and Services Tax</u>. The Tenant shall pay Goods and Services Tax to the Landlord on any payment of rent under this Lease, which payment will be made to the Landlord at the same time as the amounts to which Goods and Services Tax apply are payable to the Landlord under this Lease. The failure by the Tenant to pay to the Landlord the amount of any Goods and Services Tax owing and due hereunder shall constitute a default by the Tenant under this Lease and shall entitle the Landlord to exercise any and all rights and remedies available to the Landlord for the recovery of rent in arrears.

3.9 - <u>Rent For Irregular Periods</u>. All payments set out herein, including, without limiting the generality of the foregoing, the Additional Rent, shall be deemed to accrue from day to day, and if for any reason it shall become necessary to calculate Rent for irregular periods of less than one year an appropriate pro-rata adjustment shall be made on a daily basis in order to compute payment for such irregular period.

**3.10 - <u>Rent Per Square Foot</u>**. The Minimum Rent as set out in Section 1.1(h) is calculated by multiplying the Minimum Rent per square foot per annum set out in Section 1.1(h) by the Floor Area of the Premises set out in Section 1.1(e).

**3.11 -** <u>Post-dated Cheques</u>. If the Landlord so requests, the Tenant shall make payment of Rent for such period as the Landlord may request by way of a series of post-dated cheques to be delivered to the Landlord or by way of a pre-authorized debit payment system, at the Landlord sole discretion.

3.12 - <u>Net Lease</u>. This Lease shall be absolutely net to the Landlord such that, without limiting the generality of the foregoing, all costs in any way relating to the Premises and a share of the costs relating to the Landlord's Property as a whole as set out in this Lease shall be paid by the Tenant.

#### **ARTICLE 4**

#### LANDLORD'S COVENANTS

- 4.1 The Landlord covenants with the Tenant:
  - (a) <u>Quiet Enjoyment</u>. That if the Tenant pays the Rent hereby reserved and performs the covenants herein on its part contained, it shall and may peaceably possess and enjoy the Premises for the Term hereby granted without any interruption or disturbance from the Landlord or any other person or persons lawfully claiming by, from or under the Landlord.
  - (b) <u>Entrances, Lobbies.</u> To permit or, if applicable, use its best efforts to cause the Strata Corporation to permit-the Tenant-and its employees to have the use in common with others entitled thereto of the commercial common entrances, lobbies, stainways, loading areas, garbage areas and corridors of the Complex giving access to the Premises and all other common areas and common facilities that are designated for use by Commercial Tenants, however subject at all times to the control of the Strata Corporation and/or the Landlord over all of the common areas and common facilities pursuant to this Lease and the rules and regulations attached hereto as Schedule "C", as amended by the Landlord from time to time and to the right of the Landlord, from time to time in its sole discretion, to alter, reduce or expand the location, area, level and arrangement of the common areas.
  - (c) <u>Maintenance of Common Areas</u>. To maintain any common areas in the Complex under the Landlord's control.
  - (d) <u>Environmental</u>. Tenant acknowledges and agrees that the Landlord has made no representation or warranty to the Tenant concerning the environmental condition of the Premises or the Complex, or the presence or absence of any hazardous substance thereon or therein. Landlord acknowledges and agrees the Tenant will not be responsible for remedying any non-compliance of the Premises with environmental laws existing prior to Tenant taking possession of the Premises.

#### **ARTICLE 5**

#### CONDUCT OF BUSINESS BY TENANT

- 5.1 The Tenant covenants with the Landlord that:
  - (a) <u>Operating Covenant, Use and Name of Premises</u>. Throughout the Term, the Tenant shall continuously occupy and utilize the entire Premises and actively carry on in the Premises the business set out in Section 1.1(j). The Tenant shall carry on such business under the operating name set out in Section 1.1(k), or such other name as the Landlord acting reasonably may in writing approve, and shall not use or occupy the Premises or any part thereof for any purpose other than the operation of such business or under any other name.
  - (b) <u>Prohibited Uses</u>. The Tenant will not, at any time, carry on or allow to be carried on in the Premises any discount-type operation, fire sale, distress sale, bankruptcy sale, going-out-of-business sale, or other sale designed to convey to the public that business operations are to be discontinued, the sale of alcoholic beverages or any other business or activity which shall be deemed by the Landlord to be a nuisance or which would in the Landlord's reasonable opinion tend to lower the character of the Complex.
  - (c) Hours and Manner of Operation. The Tenant will:
    - remain open for business during all hours deemed necessary to properly operate its business, acting reasonably;

- (ii) Intentionally deleted;
- (iii) Intentionally deleted;
- (iv) follow all regulations with respect to shipping and receiving of merchandise established by the Landlord; and
- (v) maintain the Premises in a neat and tidy condition at all times.

Landlord covenants and agrees that no rules will be imposed on Tenant in respect of its hours of business in the Premises and Tenant shall not be subject to any additional cost or expense in the event it operates outside of the Normal Business Hours, subject to any City of Vancouver bylaws and the Tenant not creating a nuisance for the other occupants in the Building including the residential tenants above (if applicable).

- (d) Signs. The Tenant will not erect or place any signs, awnings, canopies, decorations, lettering or advertising of any nature or kind whatsoever on the exterior walls of the Premises, or on or visible through the display windows of the Premises or on the walls of or elsewhere in the Complex, without first obtaining the Landlord's and, if applicable, the Strata Corporation's written approval and complying with all sign restrictions imposed by the Landlord, the Strata Corporation and any governmental authorities having jurisdiction, such Landlord approval not to be unreasonably withheld or delayed. Any and all signage to be installed on the exterior of the Premises shall be supplied by the Tenant at the Tenant's sole expense.
- (e) <u>Parking</u>. The Tenant will not and will not permit its officers and employees to park vehicles in the Parking Facility or any parking areas on the Property except in areas, if any, designated by the Landlord.
- (f) <u>Tenant not to Overload</u>. The Tenant shall not overload the floor of the Premises nor install any utility, electrical or mechanical facility or service of which the Landlord does not approve or which might overload the capacity of any utility, electrical or mechanical facility in the Premises or the Complex.
- (g) Acoustics & Nuisance. The Tenant shall not use or permit any part of the Premises to be used in such manner as to cause a nuisance nor to cause or permit annoying noises or vibrations or offensive odours. Tenant shall not cause upon the Premises and Building, unreasonable levels of noise or vibrations which may disturb neighbors or other tenants, taking into consideration the mixed-use nature of the Building and the surrounding area. Further, Tenant agrees to comply with all City of Vancouver noise level ordinances. To clarify further, the Tenant shall be responsible for any fines levied by the Strata Corporation for violations related to the Tenant's use and operation in the Premises.

The Tenant shall adequately and professionally sound-proof the Premises to the specifications of a certified expert chosen by the Landlord. The cost for such certified expert and sound-proofing shall be the responsibility of the Tenant.

5.2 - Radius. Intentionally deleted.

#### **ARTICLE 6**

#### REPAIRS

- 6.1 Repairs. The Tenant covenants with the Landlord that the Tenant will:
  - (a) at its own cost and expense, at all times during the Term maintain and keep the Premises and all equipment, fixtures and improvements in good order and repair, reasonable wear and tear only excepted, and repair damage to the Property or the Complex caused by the Tenant, its agents, employees, officers, independent contractors and invitees;
  - (b) redecorate the Premises as necessary to maintain the appearance of the Premises as a first class establishment;
  - not deposit any material in the plumbing system of the Complex which might cause an obstruction;
  - promptly repair and make whole with materials of at least equivalent quality any damaged glass, plate glass, doors and windows in the Premises;
  - (e) permit the Landlord, its employees and agents to enter the Premises during Normal Business Hours upon twenty-four (24) hours prior notice (except in a real or perceived emergency, in which event, lesser notice or no notice will be required as is commercially reasonable in the circumstances) to examine the state of maintenance, repair, decoration and order of the Premises, all equipment, fixtures and improvements within the Premises

and, if the Landlord gives notice to the Tenant requiring that the Tenant perform such maintenance or effect such repairs, replacements or decorations as may be found necessary from such examination, the Tenant will do so. Landlord in exercising its rights under this section will make commercially reasonable efforts to minimize interference with Tenant's use of and access to the Premises.

- (f) at the termination of this Lease, unless this Lease is terminated by the Landlord pursuant to Section 6.3, deliver to the Landlord vacant possession of the Premises in the condition in which the Tenant is required to maintain and repair the Premises as set out in Section 9.2; and
- (g) permit the employees and agents of the Landlord to enter the Premises with 24 hours written notice, unless in an emergency situation, during Normal Business Hours to make alterations or repairs as they deem necessary for the safety or preservation or proper administration or improvement of the Premises, any premises adjoining the Premises, the Property or the Complex.

**6.2** - <u>Landlord's Repairs</u>. Subject to Section 6.3, the Landlord will repair or use its best efforts to cause the Strata Corporation to repair, reasonable wear and tear only excepted, the roof, foundations, sub-floors, and outer walls of the Complex and the mechanical and electrical works included within the Complex for use in common by the Commercial Retail Tenants, the cost of all such work to be part of Operating Costs.

**6.3 - Damage or Destruction**. The Landlord and Tenant agree that, subject to the rights of the Strata Corporation:

- (a) in the event of damage to the Premises or to the Complex such that the Premises or any substantial part thereof is rendered not reasonably capable of use and occupancy by the Tenant for the purposes of its business for any period of time in excess of 30 days, then:
  - i) unless the damage was caused by the fault or negligence of the Tenant or its employees, invitees or others under its control, from and after the date of occurrence of the damage and until the Premises are again reasonably capable of use and occupancy as aforesaid, Minimum Rent and Additional Rent shall abate from time to time in proportion to the part or parts of the Premises not reasonably capable of use and occupancy; and
  - ii) unless this Lease is terminated as hereinafter provided, the Landlord or the Tenant, as the case may be (according to the nature of the damage and their respective obligations to repair as provided in Sections 6.1 and 6.2 hereof) shall endeavour to repair such damage with all reasonable diligence, but to the extent that any part of the Premises is not reasonably capable of such use and occupancy by reason of damage which the Tenant is obligated to repair hereunder, any abatement of Rent to which the Tenant is otherwise entitled hereunder shall not extend later than the time by which, in the reasonable opinion of the Landlord's architect, repairs by the Tenant ought to have been completed with reasonable diligence; and
- (b) in the event of substantial damage or destruction to the Premises or to the Complex by any cause such that in the reasonable opinion of the Landlord the Premises or the Complex cannot be repaired or rebuilt within 180 days after the occurrence of the damage or destruction, then the Landlord may at its option, exercisable by written notice to the Tenant, terminate this Lease, and in such event neither the Landlord nor the Tenant shall be bound to repair as provided in Sections 6.1 and 6.2 hereof, and the Tenant shall instead deliver up possession of the Premises to the Landlord with reasonable expedition but in any event within 60 days after delivery of such notice of termination, and all Rent shall be apportioned and paid to the date upon which possession is so delivered up (but subject to any abatement to which the Tenant may be entitled under Section 6.3(a) by reason of the Premises having been rendered in whole or in part not reasonably capable of use and occupancy), but otherwise the Landlord or the Tenant as the case may be (according to the nature of the damage or destruction and their respective obligations to repair as provided in Sections 6.1 and 6.2) shall endeavour to repair such damage or destruction with such reasonable diligence.

**6.4 - Expropriation.** If at any time during the Term all or any part of the Premises is acquired or expropriated by any expropriating authority, then the Landlord may, at its option, terminate this Lease as of the date of such expropriation and, in such event, the Tenant will have no claim against the Landlord for damages or for any reason whatsoever.

#### **ARTICLE 7**

#### ASSIGNMENT AND SUBLEASE

- 7.1 No Assignment or Sublease. The Tenant covenants with the Landlord that:
  - (a) the Tenant will not assign this Lease in whole or in part nor grant a sublease of the whole or any part of the Premises, nor grant any concession or licence within or with respect to the Premises, nor allow any person except the Tenant's officers or employees to occupy or use the Premises, without the prior written consent of the Landlord, which consent shall not be unreasonably withheld, if the Landlord does not elect to exercise its right to terminate this Lease pursuant to Section 7.2;
  - (b) in connection with any request by the Tenant for the Landlord's consent under sub-section (a) above, the Tenant will provide all requested information on the proposed assignee, sublessee or other person as the Landlord requires and pay the Landlord's then current fee for considering such request;
  - (c) intentionally deleted;
  - (d) at the commencement of this Lease and from time to time thereafter the Tenant shall, at the request of the Landlord, certify the shareholders and directors and officers of the Tenant by a certificate of the Tenant addressed to the Landlord;
  - (e) the Tenant will not advertise the Premises or this Lease for assignment, sale or sublease without the Landlord's prior written consent, such consent not to be unreasonably withheld or delayed; and
  - (f) in no event will any permitted assignment or sublease release the Tenant from any of its obligations under this Lease during the Term.

Any consent by the Landlord to an assignment or sublease shall not constitute a waiver of the necessity for such consent to any subsequent assignment or sublease.

**7.2 - Landlord's Right to Terminate.** Within 15 days after the receipt by the Landlord of a request for consent under Section 7.1(a) and of all information which the Landlord shall have requested under Section 7.1(b) of this Lease (and if no such information has been requested, within 15 days after receipt of such request for consent) the Landlord shall have the right upon written notice to the Tenant to cancel and terminate this Lease, with a termination date to be stipulated in the notice of termination which shall not be less than 30 days or more than 90 days following the giving of such notice, and in such event the Tenant shall surrender the Premises in accordance with such notice and Rent shall be apportioned and paid to the date of surrender. Notwithstanding the foregoing, if the Landlord elects to cancel and terminate this Lease pursuant to this section the Tenant may, within 10 days of receiving the required notice of termination elect to withdraw its request to consent, in which case this Lease shall not be cancelled or terminate and will continue in full force and effect.

#### ARTICLE 8

#### INSURANCE

- 8.1 Tenant's Insurance. The Tenant covenants with the Landlord that the Tenant will:
  - (a) take out and maintain in full force and effect throughout the Term:
    - "all risks" insurance on all contents of the Premises, including equipment, fixtures and improvements, for not less than the full replacement cost;
    - comprehensive general liability insurance respecting the use, occupancy and conduct of business on and from the Premises, including any signs, temporary tables or other activities of the Tenant within the Complex, with coverage for any one occurrence or claim of not less than \$3,000,000; and
    - such other insurance including plate glass and business interruption in such amounts as the Landlord, acting reasonably, may require on not less than 15 days written notice;
  - (b) ensure that:
    - (i) the Landlord is named as additional insured on the comprehensive general liability insurance and as a loss payee as its interest may appear on the "all risks" insurance and that the liability insurance policy contains provisions for cross liability and severability of interests between the Landlord and the Tenant;

- each such policy of insurance is primary and non-contributing with respect to any policies carried by the Landlord;
- each such policy of insurance provides for waiver of the insurer's right of subrogation against the Landlord and contains provisions that such policies shall not be cancelled without the insurer providing the Landlord at least ten days prior written notice; and
- the Landlord at all times is provided with a cover note or other suitable confirmation that each such insurance policy is up to date and in force; and
- (c) not permit or do anything which might result in an increase in the cost of insurance of the Landlord or any others in the Complex or which might result in an actual or threatened cancellation of, or adverse change in, any insurance policy of the Landlord or any others in the Complex. The Tenant shall pay for any increase in insurance rates of the Building caused by the Tenant's use of the Premises.

8.2 - <u>Landlord's Insurance</u>. The Landlord shall take out or use its best efforts to cause the Strata Corporation to take out and keep or cause to be kept in full force and effect:

- (a) property insurance on the buildings and improvements, except foundations, comprising the Landlord's Property in an amount such as would be carried by a prudent owner, subject to such deductions and exceptions as the Landlord may determine; such insurance shall include, should the Landlord so elect, insurance to cover any loss of rental income which may be sustained by the Landlord; and
- (b) comprehensive general liability insurance against claims for personal injury, bodily injury, including death, and property damage or loss arising out of the use and/or occupation of the Landlord's Property in an amount such as would be carried by a prudent owner, in such form and subject to such deductions and exceptions as the Landlord may determine;

provided that nothing herein shall prevent the Landlord from providing or maintaining such broader coverage as the Landlord may determine.

### **ARTICLE 9**

#### ALTERATIONS

**9.1 -** <u>Alterations</u>. Provided the Tenant obtains the prior written consent of the Landlord in each instance, such consent the Landlord may not unreasonably withhold, the Tenant may, at its expense, make such alterations to the Premises as will better adapt the Premises for the purposes for which the Premises are permitted to be used under this Lease.

**9.2 - Landlord's Property.** Subject to as hereinafter provided, immediately prior to the expiration of the Term (or renewal term as applicable) or immediately following the termination thereof, the Tenant will remove all trade fixtures, personal property and any signs. The Tenant will repair any damage to the Complex or the Premises occasioned by such removal and restoration. All personal property of the Tenant remaining in the Premises following the estimation or termination of the Term will, at the option of the Landlord, become its property and, at the sole cost of the Tenant, may be appropriated, sold, removed, destroyed or otherwise disposed of by the Landlord without notice or obligation to compensate or account to the Tenant. Any Tenant's trade fixtures or personal property in the Premises not removed by the Tenant in accordance herewith may be removed by the Landlord and the Tenant will pay all reasonable costs associated therewith. All Leasehold Improvements made or installed at any time prior to or after the Commencement Date of the Term, whether by the Tenant or the Landlord, shall immediately upon affixation or installation become the property of the Landlord and shall remain upon the Premises.

**9.3** - <u>No Liens</u>. The Tenant will not permit, do, or cause anything to be done to the Premises at any time which would allow any lien, lis pendens, judgement or any charge of any nature whatsoever to be imposed or to remain upon the Premises or the Property. In the event of the registration of any lien or other encumbrance by a contractor or sub-contractor of the Tenant, the Tenant will, at its own expense, immediately cause the same to be discharged and if the Tenant does not immediately discharge the lien, the Landlord may pay such lien and the Tenant will pay to the Landlord on demand the amount so paid and all the Landlord's costs in connection therewith.

9.4 - <u>Landlord's Right to Alter</u>. The Landlord reserves the right to alter the components, design or dimensions of the Premises or the Landlord's Property, provided that the Premises as altered or relocated shall be reasonably similar to the premises shown outlined on Schedule A attached hereto in respect of size, access and visibility.

#### **ARTICLE 10**

#### UTILITIES, TAXES

**10.1** - <u>Utilities</u>. The Tenant will pay promptly for all electricity, gas, other fuel, water, telephone and other utilities consumed on the Premises as separately billed by the supplying utility to the Tenant. If any such utilities used on the Premises are not separately billed by the supplying utility to the Tenant, the Tenant will pay to the Landlord the cost thereof, as allocated by the Landlord to the Tenant in accordance with information meters or such other method as Landlord may choose,

10.2 - <u>Business and other Taxes</u>. The Tenant will pay promptly all business taxes, water and garbage rates, licence fees, and all other charges levied in respect of the business carried on or the assets of the Tenant within the Premises, or in respect of or allocable to any fixtures, machinery, equipment or apparatus installed in the Premises (or elsewhere in the Complex) by the Tenant, and all sales, goods and services, value added or other taxes assessed or imposed on the Tenant or the Landlord, whether or not in existence at the commencement of the Term, in respect of the rent payable to the Landlord by the Tenant under this Lease, the rental of the Premises by the Landlord to the Tenant or the provision of any goods, services or utilities whatsoever by the Landlord to the Tenant under this Lease.

#### **ARTICLE 11**

#### EXCLUSION OF LIABILITY AND INDEMNITY

11.1 - Liability. The Landlord and Tenant agree:

- (a) the Landlord, its agents, employees and officers will not be liable for damage to or loss of any property of the Tenant, howsoever caused, whether on the Premises or elsewhere in the Complex and whether or not such property is entrusted to the care or control of the Landlord or any person for whom the Landlord is responsible; and
- (b) the Landlord, its agents, employees and officers will not be liable nor responsible in any way for any personal or consequential injury of any nature whatsoever, including death, that may be suffered or sustained by the Tenant or any other person arising out of or in connection with the Premises or any activities of the Tenant within the Complex.

**11.2** - <u>Indemnity</u>. The Tenant will indemnify and save harmless the Landlord against and from any and all claims, demands, causes of action, actions, proceedings, losses, damages, expenses, costs, and legal fees on a solicitor and client basis which may arise out of or be in any way connected with the occupation or use by the Tenant of the Premises or a breach by the Tenant of its obligations under this Lease.

#### **ARTICLE 12**

#### DEFAULT AND TERMINATION

12.1 - Default. If and whenever:

- (a) the Rent payable by the Tenant under this Lease or any part thereof is not paid on the day appointed for payment whether demand for payment has been made or not;
- (b) any of the agreements, conditions or rules and regulations on the part of the Tenant to be kept, observed or performed are not so kept, observed and performed five (5) business days after written notice of default given by the Landlord to the Tenant;
- (c) a receiver of the Tenant's goods and chattels or business is appointed;
- the Tenant makes any assignment for the benefit of creditors or any bulk sale or becomes bankrupt or insolvent, or takes the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors;
- (e) the Tenant is a corporation and any order is made for the winding-up of the Tenant, or other termination of the corporate existence of the Tenant; or
- (f) the Tenant abandons or attempts to abandon the Premises, or the Premises become and remain vacant for a period of 7 consecutive days;

then and in every such case, the Landlord, at its option, may terminate this Lease by delivering to the Tenant notice in writing to that effect and immediately upon such delivery this Lease will terminate, without prejudice to any rights of the Landlord which may have accrued prior to such termination and to any claim for loss or damages which the Landlord may have against the Tenant in respect of the Tenant's default.

12.2 - <u>Acceleration of Rent</u>. If and whenever the Landlord elects to terminate this Lease pursuant to Section 12.1, and without in any way restricting the Landlord's remedies, the then current month's Rent and the next ensuing three months' Rent will immediately become due and the Landlord may without notice re-enter and take possession of the Premises.

12.3 - <u>Reletting</u>. If and whenever an event described in Section 12.1 occurs, the Landlord may enter the Premises without terminating this Lease and re-let them on the account of the Tenant for such term or terms (which may be for a term extending beyond the Term) and at such Rent and upon such other terms, covenants and conditions as the Landlord in its sole discretion considers reasonable. If rent received pursuant to any such releting is less than the Rent due and payable hereunder, the Tenant will pay the deficiency monthly in advance on the first day of each and every month. If such rent exceeds the amount of Rent due and payable hereunder (after deduction of the cost of such releting including without limitation the cost of improvements reasonably required to effect such releting, brokerage fees, and payment of any arrears of Rent and interest thereon due hereunder), such excess shall be retained by the Landlord on account of future Rent due and payable hereunder. Notwithstanding any such releting without termination, the Landlord shall retain the right at any time thereafter to elect to terminate this Lease for such previous breach.

**12.4** - <u>Vacate on Termination</u>. At the termination of this Lease, whether by the passage of time or otherwise, the Tenant shall vacate and deliver up possession of the Premises in good order as set out in Section 6.1(f) hereof and repair and shall inform the Landlord of all combinations of locks, safes and vaults, if any, in the Premises. The guarantee agreements contained in Article 11 shall survive the termination of this Lease.

12.5 - <u>Right of Landlord to Perform Tenant's Obligations</u>. If at any time the Tenant breaches any of the Tenant's obligations herein contained, then the Landlord may, without waiving or releasing the Tenant from its obligations under the terms of this Lease, itself observe and perform the obligations which the Tenant has breached, and in that connection may pay such amount as may be required or as the Landlord may reasonably deem expedient, and the Landlord may thereupon charge all amounts so paid out and all the Landlord's expenses in connection therewith to the Tenant, together with interest thereon from the date upon which the Landlord has paid out the same at the rate set out in Section 12.7 and together with an administrative fee equal to 15% of such expenses and interest, and the Tenant will repay any such amounts and expenses, together with interest thereon and pay the aforesaid fee, forthwith on demand.

12.6 - <u>All Amounts Recoverable as Rent</u>. All amounts payable by the Tenant under this Lease shall be deemed to be Rent and recoverable as Rent and the Landlord shall have all the rights and remedies against the Tenant for default in payment of any such amount as the Landlord has for default in payment of Rent.

**12.7** - <u>Interest on Arrears</u>. The Tenant shall pay to the Landlord interest at a rate equal to five percent (5%) per annum above the Prime Rate on all payments of Rent and other amounts required to be paid to the Landlord under the provisions of this Lease, from the date such money becomes payable hereunder until the Landlord is fully paid therefor.

**12.8 - <u>Non-Waiver</u>**. No waiver of the Tenant's obligations or the rights of the Landlord will occur as a result of any condoning, excusing, overlooking or delay by the Landlord in respect of any breach by the Tenant, other than an express waiver in writing, duly executed on behalf of the Landlord.

12.9 - <u>Remedies Cumulative</u>. Mention in this Lease of any particular remedy of the Landlord in respect of a default of the Tenant does not preclude the Landlord from any other remedy in respect thereof, whether available at law or in equity or by statute or expressly provided for in this Lease. No remedy shall be exclusive or dependent on any other remedy, and the Landlord may from time to time exercise any one or more or such remedies generally or in combination, such remedies being cumulative and not alternative.

12.10 – Exhibiting Premises. The Tenant covenants with the Landlord to permit the Landlord or its agent to exhibit the Premises to prospective Tenants during normal business hours of the last three (3) months of the Term, or any renewal Term, at times agreed to by the Tenant acting reasonably. During such time, the Tenant shall permit the Landlord to place marketing signage on the Premises, acting reasonably.

12.11 - Relocation. Intentionally deleted.

12.12 - Sale, Demolition or Development. Intentionally deleted.

#### **ARTICLE 13**

#### MORTGAGES AND ASSIGNMENT BY LANDLORD

13.1 - <u>Sale or Financing of Premises</u>. The Tenant agrees to attorn to and become the tenant, on the same terms and conditions as contained in this Lease, of any purchaser, mortgagee or trustee who becomes entitled to possession of the Premises.

**13.2** - <u>Subordination</u>. This Lease is subordinate to all mortgages, trust deeds or indentures granted or to be granted by the Landlord pertaining to the Premises, and to any renewals, modifications, replacements or extensions of such mortgages, trust deeds or indentures. Upon request, Tenant will subordinate this Lease in such form as Landlord or its mortgagee may require, provided this Lease shall continue in full force and effect and in accordance with and subject to the terms hereof and that Tenant's use and occupation of the Premises shall not be disturbed by such mortgagee.

13.3 - <u>Assignment by Landlord</u>. In the event of the sale or lease by the Landlord of the Premises or any portion of the Complex containing the Premises or the assignment by the Landlord of this Lease or any interest therein and to the extent that such purchaser, lessee under such lease or assignee has assumed the obligations of the Landlord hereunder, the Landlord shall, without further written agreement, be freed and relieved of liability upon such obligations.

**13.4 - Estoppel Certificate.** Whenever requested by the Landlord or any purchaser, mortgagee or trustee of the Premises, the Tenant shall within ten days of the request execute and deliver an estoppel certificate as to the status of this Lease, the state of the rental accounts hereunder, any alleged defaults on the part of the Landlord hereunder and such other information as may be reasonably required. If the Tenant fails to deliver any such estoppel certificate within the time specified above, the Tenant shall be deemed to have acknowledged that this Lease is in full force and effect, without modification except as may be represented by the Landlord, and that there are no uncured defaults in the Landlord's performance hereunder.

13.5 - <u>No Registration</u>. The Tenant covenants with the Landlord that it will not register or attempt to register this Lease nor any charge based on this Lease against title to the Landlord's Property or the Premises and agrees that the Landlord shall be under no obligation to deliver this Lease in registrable form. In the event of any such registration or attempted registration, this Lease (if executed by the parties) will, at the Landlord's option, be absolutely null and void and the Landlord will be entitled to discharge such registration.

#### **ARTICLE 14**

#### OVERHOLDING TENANT

14.1 - <u>No Renewal</u>. If the Tenant remains in possession of the Premises after the end of the Term with the Landlord's consent but without either having previously exercised any right of renewal or executing a new lease or agreement to lease, there will be no tacit renewal of this Lease and the Tenant shall be as a tenant from month to month at a monthly Rent equal to the aggregate of:

- (fa) a minimum monthly rent equal to one hundred and twenty-five per cent (125%) the monthly instalment of Minimum Rent for the last month of the Term; and,
- (b) Additional Rent as estimated by the Landlord for each month pursuant to Section 3.2;

and subject to the terms and conditions of this Lease insofar as they are applicable in a month to month tenancy, and a tenancy from year to year shall not be created by implication of law.

#### **ARTICLE 15**

#### MISCELLANEOUS PROVISIONS

**15.1** - <u>No Partnership</u>. It is understood and agreed that nothing contained in this Lease nor in any acts of the parties hereto shall be deemed to create any relationship between the parties hereto other than the relationship of landlord and tenant.

15.2 - <u>Successors, Etc.</u> This Lease shall enure to the benefit of and be binding upon the Landlord, its successors and assigns and the heirs, executors, administrators and other personal legal representatives, and the permitted successors and assigns of the Tenant. References to the Tenant shall be read with such changes in gender as may be appropriate, depending upon whether the Tenant is a male or female person or a firm or corporation and where appropriate the singular shall include the plural, and vice versa, and if the Tenant is more than one person or entity, the covenants of the Tenant shall be deemed joint and several.

**15.3** - <u>Compliance with Laws</u>. At the sole cost and expense of the Tenant, the Tenant shall abide by and comply with all applicable laws, by-laws, and regulations of competent governmental authorities applicable to the Premises, the condition of the Premises or the use or occupation thereof by the Tenant.

15.4 - <u>Rules and Regulations</u>. The Tenant will observe and cause its officers and employees to observe the current bylaws of the Strata Corporation, the rules and regulations attached hereto as Schedule C and any further bylaws, rules and regulations which the Strata Corporation or the Landlord may implement for the better operation of the Complex, the Landlord's Property or the Premises.

15.5 - <u>Service Interruptions</u>. The Landlord does not warrant that any service or facility provided by the Landlord hereunder will be free from interruptions caused or required by maintenance, repairs, renewals, modifications, strikes, riots, insurrections, labour controversies, force majeure, Acts of God or other cause or causes beyond the Landlord's reasonable control. No such interruption shall render the Landlord liable in damages to the Tenant, nor relieve the Tenant from its obligations under this Lease, provided that the Landlord shall without delay take all reasonable and practical steps within its power to remove the cause of such interruption.

**15.6** - <u>Notice</u>. Any notice, demand, request or consent required or contemplated to be given or made by any provision of this Lease shall be given or made in writing and may be delivered by email, personally or sent by facsimile or registered mail posted in Canada, postage prepaid, addressed to the Landlord or to the Tenant, as the case may be, at their respective addresses set out in Section 1.1 or to such other address or facsimile number of which either party may from time to time notify the other by notice in writing under this Section 15.6. At the option of the Landlord any notice may be delivered to the Tenant at the Premises. The time of giving or making such notice, demand, request or consent shall be if delivered, when delivered, and if transmitted by facsimile, upon receipt of the usual confirmation of receipt, and if mailed by registered mail, on the third business day after the day of mailing thereof; provided that in the case of a disruption of normal mail service, a notice, demand, request or consent shall be if only be effective if actually delivered or transmitted by facsimile. If in this Lease two or more persons are named as Tenant, such notice, demand, request, consent or objection shall be sufficiently given or made if and when the same shall be given to any one of such persons.

15.7 - Time. Time is of the essence of this Lease.

**15.8** - <u>Governing Law/Severability</u>. This Lease shall be construed and governed by the laws of the Province of British Columbia. Should any provision or provisions of this Lease and/or its conditions be illegal or not enforceable, it or they shall be considered separate and severable from this Lease and its remaining provisions and conditions shall remain in force and be binding upon the parties hereto as though the said provision or provisions or conditions had never been included.

**15.9** - Entire Agreement. The Tenant acknowledges that there are no representations made by the Landlord which are not set out in this Lease. The Tenant further acknowledges that this Lease constitutes the entire agreement between the Landlord and the Tenant and may not be modified except as herein explicitly provided or except by subsequent agreement in writing duly signed by the Landlord and the Tenant. The Tenant further acknowledges and agrees that no prior information provided or statements made by the Landlord or its agent(s) ("Prior Information"), including, without limitation, estimated gross sales and common area maintenance calculations, information regarding potential tenancies, any other financial matters, and any matters relating to the Premises or the Complex have in any way induced the Tenant has satisfied itself of all its concerns by conducting an independent investigation of the validity of such Prior Information.

**15.10** - <u>Area Certification</u>. The Floor Area of the Premises or of any other part of the Landlord's Property shall, at the request of the Landlord or the Tenant, be conclusively determined by a British Columbia land surveyor retained by the Landlord, whose decision shall bind the parties hereto. If the Tenant makes such a request, the Tenant shall pay all costs of such survey.

15.11 - <u>Subdivision and Consolidation of Property.</u> The Landlord may subdivide the Landlord's Property or consolidate the Landlord's Property with another property or properties, and if it does so "Landlord's Property" shall mean the lands and premises which then include the Premises.

15.12 – <u>Environmental Compliance by Tenant</u>. If at any time during the Term there is brought onto or into the Premises or any part thereof or there is used on or in the Premises or any part thereof, Hazardous Substances, with or without the consent of the Landlord, then the Tenant will at its own cost and expense, comply with all laws, regulations and governmental guidelines and codes of practice from time to time in force or in use by governmental authorities and all standards, guidelines and codes of practice generally applied or used by others in the Tenant's business or industry relating to such Hazardous Substances and to the protection of the environment (the aforesaid laws, regulations, standards, guidelines and codes of practice are hereinafter collectively referred to as "Laws and Standards") and will immediately give written notice to the Landlord of the occurrence of any event on or in the Premises that constitutes or may constitute an offence thereunder or breach thereof and, if the Tenant, either alone or with others, will cause the happening of such event, the Tenant will, at its own cost and expense:

- a) promptly give the Landlord notice to that effect and thereafter give the Landlord from time to time written notice of the extent and nature of the Tenant's compliance with the following provisions of this Article 15.12;
- b) promptly remove the Hazardous Substances from the Premises or if permitted by lawful authority cause such Hazardous Substances to be used in the permitted manner, and the removal or use thereof will conform with all Laws and Standards; and
- c) if requested by the Landlord, obtain a written report from an independent consultant experienced in Hazardous Substances matters and approved by the Landlord verifying the complete and proper removal of such Hazardous Substances from the Premises or if such is not the case, reporting as to the extent and nature of any failure to comply with the foregoing provisions of this Article 15.12.

**15.13** Clean. If any governmental authority will require the clean-up of any Hazardous Substances held, released, spilled, abandoned or placed upon or in the Premises or released into the environment by the Tenant in the course of the Tenant's business or as a result of the Tenant's use or occupancy of the Premises, then the Tenant will, at its own expense, prepare all necessary studies, plans and proposals and submit the same for approval, provide all bonds and other security required by governmental authorities having jurisdiction and carry out the work required and will keep the Landlord full information with respect to proposed plans and comply with the Landlord's reasonable requirements with respect to such plans. For greater certainty, the Tenant will not be responsible for the clean-up of Hazardous Substances held, released, spilled abandoned or placed upon or in the Premises or released into the environment by the Landlord, its employees, contractor's or service providers.

**15.14 Tenant Liable**. The Tenant will be fully and completely liable to the Landiord and, without limiting the foregoing, will also indemnify, defend and save the Landlord harmless, for, from and against any and all, damage to or in the Premises caused by an event described in Article 15.12 above or by the performance of the Tenant's obligations under this Section, all direct out of pocket costs, fees and charges, including reasonable legal fees and charges incurred by the Landlord, and any and all charges, fees, penalties (civil and criminal) imposed by any governmental authority, as a result of the Tenant's use, disposal, transportation, generation and/or sale of Hazardous Substances, in or about the Premises.

15.15 Tenant's Default. Upon the Tenant's default under this Article 15.12, in addition to the rights and remedies set forth elsewhere in this Lease, the Landlord will be entitled to the following:

- terminate this Lease immediately or any time thereafter if the Tenant continues to be in default; or
- b) to recover any and all damages, costs and charges, civil and criminal penalties and fees, suffered by the Landlord; or
- c) all of (a) and (b) above.

**15.16 Obligations Survive Expiry or Termination of Lease.** The obligations of the Tenant under this Article 15.12 will survive the expiry or earlier termination of this Lease.

### **ARTICLE 16**

#### DEFINITIONS

16.1 - <u>Definitions</u>. In this Lease (including this Article) unless there is something in the subject matter or in the context inconsistent therewith, the parties agree that:

- (a) "Additional Rent" means all amounts payable by the Tenant hereunder excluding Minimum Rent.
- (b) "Commencement Date" means the date set out in Section 1.1(g) of this Lease.
- (c) "Commercial Tenants" means all tenants of commercial premises in the Landlord's Property.
- (d) "Complex" means the commercial complex described in Schedule A and includes all buildings, improvements and facilities erected on the Property from time to time, including common washrooms, common entrances, lobbies, stairways, elevators, loading areas, garbage areas and corridors giving access to the Premises and other rentable premises, all heating, ventilating and air conditioning equipment and all plumbing, wiring and other systems, all as may be altered, expanded, reduced or renovated from time to time.
- (e) **"Fiscal Year"** means each successive period commencing with January 1 and ending on December 31 in each calendar year, provided that the Landlord may change the

beginning and ending dates of such period from time to time and create periods containing less than 12 months. Where any Fiscal Year contains less than 12 months, costs shall be pro-rated as determined by the Landlord, to make any calculation required under this Lease.

- (f) "Floor Area" means the area (expressed in square feet) of any rentable premises in the Landlord's Property or common property, measured from the exterior of all exterior walls, doors and windows, from the centre line of all internal walls separating the premises from adjoining premises and from the lease line designated by the Landlord at any boundary of the premises where there is no wall, door or window, all without deduction for columns or projections necessary to the Complex plus an amount equal to the product of (i) the fraction having as its numerator the Floor Area (excluding Service Area) of such premises and as its denominator the sum of the Floor Areas (excluding Service Area) of all premises designated by the Landlord for lease to Commercial Tenants whether actually leased or not, multiplied by (ii) the total area of the Service Area. In the event of any dispute as to the Floor Area of any rentable area in the Landlord's Property or common property, such dispute will be resolved by the certification of such area pursuant to Section 15.10.
- (g) "Goods and Services Taxes" means all sales, value-added, goods and services or other taxes levied, imposed, charged or assessed on the Tenant or the Landlord, whether or not in existence at the Commencement Date of the Term, in respect of any and all rent payable to the Landlord by the Tenant under this Lease, the rental of the Premises by the Landlord to the Tenant, or the provision of any goods, services or utilities whatsoever by the Landlord to the Tenant under this Lease.
- (h) "Gross Sales" means the entire amount of the sale price, whether for cash or credit or otherwise, of all sales of merchandise and services and all other receipts or receivables whatsoever of all business conducted at, in, upon or from the Premises by the Tenant or otherwise, and includes without limitation receipts and receivables in respect of orders taken at or received at the Premises (although such orders may be filled elsewhere), receipts from coin-operated machines or vending machines, charges to customers in the nature of carrying charges, finance charges and interest, the selling price of gift certificates, unreturned deposits, and insurance proceeds for loss of profit or business or for damage to goods (in excess of the wholesale cost thereof); but shall not include:
  - any sums shown separately from the price, collected and paid out for any direct retail sales tax imposed by any government authority;
  - (ii) the exchange of merchandise between the stores of the Tenant, if any, where such exchange of merchandise is made solely for the convenient operation of the business of the Tenant and not for the purpose of consummating a sale which has theretofore been made or agreed to be made at, in, from or upon the Premises or for the purpose of depriving the Landlord of the benefit of a sale which otherwise would be made at, in or from the Premises;
  - (iii) returns to suppliers or to manufacturers;
  - (ix) cash or credit refunds to customers for merchandise returned and the selling price of merchandise returned by customers, but only if the selling price of the merchandise returned and the selling price of the merchandise delivered to the customers in exchange are included in the computation of Gross Sales; and
  - (v) that part of the selling price of merchandise sold satisfied by a deposit or a gift certificate but only if the amount of the deposit or gift certificate is included in the computation of Gross Sales.

Each sale upon an instalment or credit basis shall be treated as a sale for the full price in the month in which such sale is made regardless of the time when the Tenant shall receive payment (whether full or partial) from its customer. No deduction shall be allowed for uncollected credit accounts or fees paid to credit card companies.

- (i) "Hazardous Substances" means any substance which is hazardous to persons or property include any contaminant, pollutant or hazardous substance that is likely to cause immediate, or at some future time, harm or degradation to the environment or risk to human health or safety, including any pollutant, contaminant, waste, hazardous waste, toxic substance or dangerous good which is defined or identified as such in any Applicable Laws, or which is present in the environment in such quantity or state that it contravenes any Applicable Laws;
- (j) "Landlord's Property", at any time, means that portion of the Complex, other than any portion of the Residential Component (if applicable), which is owned by the Landlord at that time.

- (k) "Lease Year" means each successive 12 month period commencing on the Commencement Date, provided that the last Lease Year may be shorter than 12 months.
- (I) "Normal Business Hours" means the days and hours designated by the Landlord from time to time, acting reasonably, as the hours during which the Commercial Tenants will be open to the public for business.
- (m) "Opening Date" has the meaning set out in Section 2.3.

(n)

"Operating Costs" means all costs and expenses, without duplication, incurred by the Landlord in the management, operation, maintenance and repair of the Landlord's Property, including any costs and expenses incurred in respect of the Parking Facility or the Complex which are allocated to the Landlord's Property as more particularly described in Section 3.7, and including assessments and levies paid to the Strata Corporation, calculated as if the Landlord's Property were 100% leased, including without limiting the generality of the foregoing, the cost of providing cleaning, garbage removal, janitor, supervisory and maintenance services, the cost of operating the elevators, the cost of heating, cooling and ventilating all space both rentable and non-rentable, the cost of hot and cold water, electricity, telephone and other utilities and services to all space, the cost of all repairs and replacements to the Landlord's Property or services including elevators, the cost of snow clearance, the cost of window cleaning, the cost of security and supervision, the cost of all insurance for loss of income, liability or fire or other casualty, accounting costs incurred in connection with maintenance and operation including computations required for the imposition of charges to tenants and audit charges for the reporting of charges hereunder, the reasonable rental value of space utilized by the Landlord in connection with the operation and maintenance of the Landlord's Property including any utility or storage rooms, the amount of all salaries, wages and fringe benefits paid to employees engaged in the operation and maintenance of the Landlord's Property, amounts paid to independent contractors for any services in connection with such operation and maintenance, management fees and depreciation and carrying costs on all fixtures, equipment and facilities which require periodic replacement at rates determined by the Landlord in accordance with generally accepted accounting principles or industry standards; provided that there shall be deducted from general Operating Costs all costs as the Landlord shall reasonably allocate, relating to and payable by Commercial Tenants within the Landlord's Property as distinguished from costs relating to and payable by tenants in general, and the Landlord may create and allocate special categories of Operating Costs payable by such Commercial Tenants as well as a category of general Operating Costs.

In determining Operating Costs, the cost (if any) of the following shall be excluded or deducted, as the case may be:

subject to Section 6.2, replacement of structural components of the Landlord's Property, acquisition costs of the Landlord's Property and payment of principal or interest on account of mortgaging or financing he Landlord's Property;
Landlord's income taxes, business taxes and any other tax personal to the Landlord;

 (c) expenses relating to decorating, redecorating or renovating rentable space for Commercial Tenants or other occupants of the Landlord's Property and costs relating to tenant inducements, allowances or similar expenses;
(d) all leasing expenses, real estate brokers' fees leasing commissions actualities

(d) all leasing expenses, real estate brokers' fees, leasing commissions, advertising and space planners' fees; repairs or maintenance done or additional services provided for the direct account of other Commercial Retail Tenants;

(e) any costs solely associated with operating the Residential Component for which the Landlord receives rental income, or the operation of which is otherwise funded by rental revenue, including without restriction, the amenities provided to occupants of the Residential Component (if applicable);

(f) fines and penalties imposed by any authority as a result of the violation of any laws by the Landlord except if such fine and penalties are caused by the actions of the Tenant; and
(g) environmental remediation costs incurred by the Landlord except if and

(g) environmental remediation costs incurred by the Landlord, except if such costs relate to an environmental condition caused by the Tenant.

- (o) "Parking Facility" means the parking facility for the Complex located on the underground levels of the lands legally described in Schedule A.
- (p) "Particular Share" means the fraction which has as its numerator the Floor Area of the Premises and as its denominator the Floor Area of all premises in the Landlord's Property designated by the Landlord for lease to Commercial Tenants, whether actually leased or not,
- (q) "Percentage Rent" means the Rent payable under Section 3.1(b).
- (r) "Percentage Rent Rate" means the percentage set out in Section 1.1(i).

- (s) "Premises" means that portion of the Complex, which portion is shown outlined in bold black line on the plan annexed hereto as Schedule "B", but excludes the exterior surface of any exterior walls, doors and windows and any area below the floor or above the ceiling of the Premises.
- (t) "Prepaid Rent" means the amount set out in Section 1.1(l), to be held by the Landlord pursuant to Section 2.4.
- (u) "Prime Rate" means that variable annual rate of interest quoted by the main branch of The Royal Bank of Canada, Vancouver, British Columbia from time to time as the rate of interest used by it as a reference rate for setting rates of interest on Canadian dollar loans in Canada repayable on demand and commonly referred to by such bank as its "prime rate".
- (v) "Property" means those lands and premises described on Schedule "A", including the Complex, as the same may be altered, expanded or reduced from time to time pursuant to Section 15.11 or otherwise.
- (w) "Property Taxes" means the aggregate in each Lease Year of all taxes, local improvement or similar rates, duties, assessments and charges, municipal or provincial realty taxes, water taxes, school taxes, or any other taxes, rates, duties, assessments, both general and special, levied or imposed by any level of government whether municipal, provincial or federal upon or in respect of the Landlord's Property or any part thereof, including all fees, levies or assessments payable in respect of the Property to the City of Vancouver and Province of British Columbia or any similar organization and any capital tax imposed on the Landlord's Property, together with all costs and expenses incurred by the Landlord in contesting or appealing any taxes, rates, duties or assessments (including, without limitation, legal and other professional fees, and interest and penalities on deferred payments).
- (x) "Proportionate Share" means the fraction which has as its numerator the Floor Area of the Premises and as its denominator the Floor Area of all premises within the Landlord's Property designated by the Landlord for lease to tenants, whether actually leased or not.
- (y) "Rent" means all amounts payable by the Tenant under this Lease.
- (z) "Residential Component" means the portion of the Complex consisting of residential premises, whether intended to be owner occupied or leased to residential tenants (if applicable).
- (aa) "Service Area" means the area of corridors, fire protection refuge areas, loading bays, garbage rooms, telephone and electrical closets and all other common areas serving Commercial Tenants.
- (bb) "Strata Corporation" means any strata corporation for the Complex or any portion thereof established in accordance with the provisions of the *Strata Property Act*, R.S.B.C. 1998 c. 43 as the same may be amended or replaced from time to time.
- (cc) "Term" means the period set forth in Section 1.1(f) plus, if the Commencement Date occurs on a day other than the first day of a calendar month, the balance of such calendar month, and includes any extension or renewal thereof.

THE TENANT DOES HEREBY accept this lease of the Premises, to be held as tenant, and subject to the conditions, restrictions and covenants above set forth.

IN WITNESS WHEREOF the parties have executed this Lease as of the date first above written, and in the case of each corporate party its seal was affixed in the presence of its duly authorized officers.

BY THE LANDLORD

GATEWAY DEVELOPMENT LIMITED PARTNERSHIP by its General Partner, Portfolio Asset (GATE)

Inc. . Per: Authorized Signatory

BY THE TENANT

SUNA ENTERTAINMENT GROUP INC.

Per: Authonized Signatory

SIGNED, SEALED and DELIVERED by Amrit Maharaj in the presence of:

Signature of Witness Print Name

Address

Occupation

8633 185 A stract Langley Plumber Erik Moore

Amrit Maharaj (Guarantor)



CW11731240.1

# Gateway

# SCHEDULE "A" TO LEASE

## DESCRIPTION OF PROPERTY

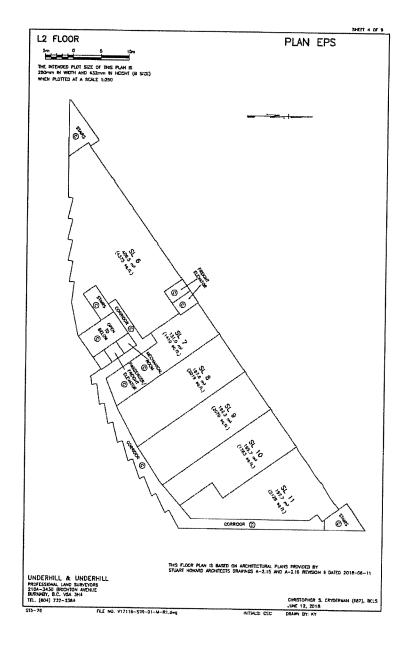
Block K Plan VAP5461 District Lot HT Land District 1 Land District 36 Except Plan 8675 PID: 011-154-551

VDO DOCS: 998069 v3 CW11731240.1

# Gateway

## SCHEDULE "B" TO LEASE

PLAN OF PREMISES



VDO DOCS.998069 v3 CW11731240,1

# SCHEDULE "C" TO LEASE

### RULES AND REGULATION

### 1. COMMON AREAS

- (a) The Tenant shall not perform any acts or carry on any practice which may injure the common areas or common facilities or be a nuisance to any other tenants of premises situated in the Complex.
- (b) The entrances, lobbies, elevators, staircases and other facilities of the Complex are for use only for access to the Premises and other parts of the Complex, and the Tenant shall not obstruct or misuse such facilities or permit them to be obstructed or misused by its agents, employees, invitees or others under its control.
- (c) No safe or heavy equipment shall be moved by or for the Tenant unless the consent of the Landlord is first obtained and unless all due care is taken. Such equipment shall be moved upon the appropriate steel bearing plates, skids or platforms and subject to the Landlord's direction, and at such times, by such persons as the Landlord shall have approved. No fixtures, freight or bulky matter of any description shall be moved in or out of the Premises or carried in the elevators of the Complex except during such hours as the Landlord shall have approved by the Landlord, and shall be used only by prior arrangement with the Landlord.

### 2. REFUSE

- (a) All trash, rubbish, waste material and other garbage shall be kept either within the Premises, or, if available, in designated common garbage areas located outside the Premises, until the day of removal, such removal to be at the expense of the Tenant on a regular basis as determined by the Landlord.
- (b) The Tenant shall not burn any garbage in or about the Premises or anywhere within the Complex.
- (c) If the Tenant's garbage is of a deteriorating nature, creating offensive odours, the Tenant shall utilize and maintain at its cost and expense refrigerated facilities as required by the Landlord.
- (d) In the event the Landlord considers necessary, or otherwise consents in writing to, the placing of the Tenant's garbage outside the Premises, such garbage shall be placed by the Tenant in containers approved by the Landlord but provided at the Tenant's expense and kept at a location designated by the Landlord.

# 3. OVERLOADING, SUSPENSION

- (a) The Tenant shall not overload any floor of the Premises in excess of one hundred (100) pounds per square foot.
- (b) The Tenant shall not hang or suspend from any wall or ceiling or roof, or any other part of the Complex other than the Premises, any equipment, fixtures, signs or displays which are not first authorized by the Landlord and, if required, the Strata Corporation.
- (c) The Tenant shall not hang or suspend from any wall or ceiling of the Premises any equipment, fixture, sign or display which would overload such wall or ceiling, as the case may be.

### 4. ELECTRICAL EQUIPMENT

- (a) The Tenant shall at its sole cost and expense, install and maintain all necessary lighting fixtures, electrical equipment and wiring therefor.
- (b) If the Tenant requires any electrical equipment which might overload the electrical facilities in the Premises, the Tenant shall submit to the Landlord plans and specifications for works required to install and supply additional electrical facilities or equipment to prevent such overloading, and shall obtain the Landlord's written approval to perform such works, which shall meet all the applicable regulations or requirements of any government or other competent authority, the Association of Insurance Underwriters and the Landlord's insurers, all at the sole cost and expense of the Tenant.

#### 5. PLUMBING

No plumbing facilities shall be used for any purpose other than that for which they were designed, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision by the Tenant or by any person for whom the Tenant is responsible shall be borne by the Tenant. No garburetors shall be installed by the Tenant without the prior written approval of the Landlord. In compliance with governmental or approving authority requirements, washrooms shall be available for use by customers upon request.

# 6. SIGNS, ADVERTISING, DISPLAY WINDOW

- (a) The Tenant shall not erect or install any exterior signs or interior window or door signs or advertising media or window or door lettering or placards without the prior written consent of the Landlord.
- (b) The Tenant shall not use any advertising media that the Landlord shall deem objectionable to it or to other tenants, such as, without limiting the generality of the foregoing, loudspeakers, phonographs, televisions, public address systems, sound amplifiers, radios, broadcasts or telecasts within the Complex in a manner capable of being heard or seen outside the Premises.
- (c) The Tenant shall not install any exterior lighting, exterior decorations or build any aerial or mast, or make any change to the exterior of the Premises, without the prior written consent of the Landlord.
- (d) The Tenant shall indemnify and save harmless the Landlord from all claims, demands, loss or damage to any person or property arising out of any sign, mast, aerial or other installation, notwithstanding any consent by the Landlord thereto.
- (e) Any installation requiring the Landlord's consent which has not received such consent shall be subject to immediate removal without notice at the Tenant's cost.

# 7. NO SOLICITATION

The Tenant, its employees and agents shall not:

- (a) cause or permit any machines selling merchandise, rendering services or providing entertainment, however operated, to be present on the Premises unless consented to in advance in writing by the Landlord.
- (b) solicit business and display merchandise except in the Premises, nor distribute handbills or other advertising matter, nor permit anything to be done in or on the common areas or common facilities that hinders or interrupts the flow of traffic to, in or from the Complex or obstructs the free movement of persons in, to or from the Complex.

#### 8. PARKING

(a) The Tenant shall furnish the Landlord with Provincial automobile licence numbers of all motor vehicles of the Tenant and its employees within five (5) days after taking possession of the Premises and shall thereafter notify the Landlord of any changes or additions to such numbers within five (5) days after occurrence.

### 9. DELIVERY

- (a) The Tenant shall receive, ship, take delivery of, and allow and require suppliers and others to deliver or to take delivery of, merchandise, supplies, fixtures, equipment, furnishings and materials only through the appropriate service and delivery facilities designated by the Landlord, at such times as the Landlord may reasonably specify and in accordance with the reasonable directives and further rules and regulations of the Landlord.
- (b) The Tenant shall inform the suppliers of such times and rules and regulations respecting delivery so as to accommodate the ease of delivery to and from the Complex.
- (c) The Tenant shall remove all such merchandise and other delivered items from the loading area or other common areas of the Complex immediately upon such delivery or shall pay such costs as may be determined by the Landlord for any hourly, daily or weekly temporary storage permitted by the Landlord.

### 10. PESTS

Should the Premises become infested with rodents, vermin or the like, the Tenant shall forthwith remedy the same and shall use, at the Tenant's cost, such pest extermination contractor as the Landlord may direct and at such intervals as the Landlord may require as being necessary by reason of the conditions in the Premises.

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### 11. BICYCLES

The Tenant shall not permit any bicycles in or about the Premises unless in such areas as may be designated by the Landlord.

### 12. NOTICE OF ACCIDENT, DEFECTS

The Tenant shall give immediate notice to the Landlord in case of fire or accident in the Premises or of defects therein or to any fixtures or equipment thereon.

### 13. EMERGENCY CONTACTS

The Tenant shall provide the Landlord with the names, addresses and telephone numbers of two (2) authorized employees of the Tenant who may be contacted by the Landlord in the event of an emergency relative to the Premises. The Tenant shall not place any additional locks or other security devices upon any doors of the Premises without the prior written approval of the Landlord and subject to any conditions imposed by the Landlord for the maintenance of necessary access.

# 14. ENTRY AFTER HOURS

Intentionally deleted.

### 15. PERMITS, LICENCES

The Tenant alone shall be responsible for obtaining, from the appropriate governmental authority or other regulatory body having jurisdiction, whatever permits, licences or approvals as may be necessary for the occupancy of its premises and the operation of its business, prior to its opening for business, and shall provide a copy to the Landlord substantiating compliance with this requirement, the whole to the entire exoneration of the Landlord.

### 16 TENANT'S WORK

Any work to be performed in the Premises by the Tenant or its contractors shall be first approved and then made strictly in accordance with the rules and regulations of the Landlord from time to time in respect of work by Commercial Tenants.

### 17. FURTHER RULES AND REGULATIONS

The foregoing Rules and Regulations, are for the general benefit and welfare of the Complex and the tenants therein, as from time to time amended, are not necessarily of uniform application, but may be waived in whole or in part in respect of other tenants without affecting their enforceability with respect to the Tenant and the Premises, and may be waived in whole or in part with respect to the Premises without waiving them as to future application to the Premises and the imposition of such Rules and Regulations shall not create or imply any obligation of the Landlord to enforce them or create any liability of the Landlord for their non-enforcement. The Landlord may, acting reasonably, amend these rules and regulations, by alteration or addition, for the better operation of the Premises and such amended rules and regulations shall be binding on the Tenant.

# SCHEDULE "D" TO LEASE

### SPECIAL CONDITIONS/ADDENDA

### 1. Possession Date & Fixturing Period

From April 1, 2020 (the "Possession Date") through to the Commencement Date, the Tenant may be permitted to have exclusive occupancy of the Leased Premises. During such period prior to the Commencement Date, the Tenant shall be bound by all the provisions of the Lease save those requiring payment of Basic Rent, Operating Costs or Property Taxes. During such period prior to the Commencement Date, the Tenant shall have the right to occupy the Leased Premises for the purposes of carrying out the Tenant's business provided the necessary occupancy permits and insurances are in place. In the event that the Premises is not complete by April 1, 2020, the Possession Date shall commence on the day following the date that the City of Vancouver signs off on the occupancy permit for the Building. The Tenant shall not have access to the building until the Possession Date.

From the Possession Date through until the Commencement Date (the "Fixturing Period"), the Tenant will be permitted to have occupancy of the Leased Premises to complete the Tenant's Work, and during such period, the Tenant shall be bound by all the provisions of the Lease save those requiring the payment of Basic Rent, Operating Costs and Property Taxes. Such Fixturing Period shall end on the earlier of: i) the date that any part of the Premises opens for business, or ii) three (3) months following the Possession Date.

During the Fixturing Period, the Tenant shall have access at all times to the Building and to the Leased Premises. During the Fixturing Period the Tenant shall also have access to the Building elevators as designated by the Landlord at all times after business hours seven days a week and any freight elevator at all times including during Normal Business Hours.

### 2. Renewal Option

If the Tenant:

- pays the Rent as and when due and punctually observes and performs its covenants, obligations and agreements under and in accordance with the terms of the Lease;
- (b) is not in default under the terms of the Lease;
- (c) gives the Landlord not more than 12 months nor less than 9 months' notice prior to the expiry of the Renewal Term of its intention to extend the Term; and
- (d) is Suna Entertainment Group Inc. and / or allowable assignees and is itself in occupation of and conducting business in the whole of the Premises;

then the Tenant shall have the right to extend the term following the expiry of the Term for One (1) further period of five (5) years (the "Renewal Terms"), upon the same terms and conditions as are set out in the Lease, except that:

- (e) there shall be no further rights to extend the Term;
- (f) any Fixturing Period or requirement on the Landlord's part to do any of the Landlord's Work or pay or make available to the Tenant any construction allowance, inducement, free rent, loan or other amount in connection with this Lease or improvements installed in the Premises, shall not apply to the Renewal Term;
- (g) if the Landlord requires, the Tenant shall promptly execute an extension agreement prepared by the Landlord at the Tenant's expense, giving effect to the Renewal Term; and

the annual Minimum Rent in respect of the Renewal Terms shall be mutually agreed upon between the Landlord and the Tenant based upon the Fair Market Rent of the Premises as at the date 3 months prior to the commencement of the Renewal Terms, provided that the Minimum Rent shall in no event be less than the annual Minimum Rent payable by the Tenant for the last 12 months of the term then expiring and provided further that if the parties are unable to agree as to such Minimum Rent by no later than 3 months prior to the expiry of the Renewal Term then the Minimum Rent for the Renewal Term shall be determined by arbitration in accordance with the Commercial Arbitration Act of British Columbia. If the annual Minimum Rent tays not been determined by the commencement of the Renewal Term for any reason, the Tenant shall pay Minimum Rent equal to 125% the monthly instalment immediately prior to the expiry of the Term until such Minimum Rent or the Landlord, as the case may be, shall pay to the other any amount retroactively owing from the commencement of the Renewal Term. "Fair Market Rent" means the fair market Minimum Rent for the Premises, having regard to renewal rents then being obtained for premises that are of similar size and quality to that of the Premises and which are similarly used, located and fixtured.

### 3. Parking

The Landlord shall provide, at the Tenant's cost, up to fifteen (15) reserved parking stalls at the back of the Building at the prevailing market rates, from time to time. Prior to the Commencement Date, the Tenant shall specify the number of parking stalls it requires during the Term. The rental rates for stalls are subject to adjustment on an annual basis to comparable parking rates in the area. The Tenant shall have the option throughout the Term and any renewals to forego all or a portion of such parking stalls by providing the Landlord with one month's written notice and the Tenant may once again have the right to use parking spaces on one calendar month's written notice to the Landlord.

# 4. Right to Purchase Premises

The Landlord hereby grants to the Tenant, at any time up to one (1) year after the Commencement Date of the Lease, the right purchase the Premises on the following terms:

Saleable Square Footage: 13786 Square Feet (2nd Floor only)

Price per Square Foot: \$556.03

Purchase Price: \$7,665,429.50 exclusive of all applicable taxes, GST, PST, and

Property Transfer Tax and any other provincial or federal sales, service, harmonized, value added or other tax and exclusive of any applicable new housing rebates.

# SCHEDULE "E" TO LEASE

# LANDLORD'S AND TENANT'S WORK COMMERCIAL TENANCY

### LANDLORD'S WORK

Unless specified herein, the Premises are provided to the Tenant on an "as-is" basis.

# **Base Building Specifications**

Space Available	16,891 square feet (all areas are approximate and subject to confirmation by survey)
Office Ceiling Height	Floor to floor: +/- 12 feet Clear Height: +/- 9 feet (all heights are approximate and subject to change)
Ground floor Height	Floor to floor: +/- 24 feet Clear Height: +/- 21 feet (all heights are approximate and subject to change)
Mezzanine Ceiling Height	Floor to floor: +/- 12 feet Clear Height: +/- 9 feet (all heights are approximate and subject to change)
Elevators	3 freight
	Service Elevator 4,000 pound capacity Vertical bi-parting doors
Exterior Materials	Metal and concrete
Building Lobby	Landlord shall improve the Building lobby to the base-building standard
Windows	Low-E glazing
Flooring	Smooth finished concrete floor.
Lighting	Base building emergency lighting only.
Security Systems	proximity readers in all elevator cabs, lobby doors, stairwells, and bike lockers emergency panic alarms in the parking lot security cameras at main building access points and parking garage
Sprinkler System	Fully sprinklered for an open plan
Telecommunications	The Landlord will provide the Tenant's telecommunications service provider access into the Building and will facilitate any coring (if necessary) to allow for such access – any cost over and above the Landlord's cost of providing telecommunications access to the Building in the normal course of building construction shall be borne by the Tenant.
Patios Spaces	Common roof top deck shall be finished and landscaped roof deck accessible by elevators.

# TENANT'S WORK

1. The Tenant will retain competent interior designers (as may be appropriate), who shall be duly licensed in the Province of British Columbia where required, in connection with the design of Tenant's Work and the preparation of the plans required to be submitted by the Tenant hereunder. The Tenant must employ the Landlord's designated consulting engineers to handle the electrical and mechanical design distribution within the Premises. These drawings and specifications will include the design and layout for the electrical, sprinkler, plumbing, drainage,

and HVAC work. The Tenant will also provide the Landlord and the Landlord's consulting engineers with a reflected ceiling plan showing the location of all lighting fixtures and a store layout plan showing the location of all receptacles, switches and all power and telephone outlets required and provide manufacturers descriptive material and catalogue numbers for all fixtures and equipment to be installed by the Tenant.

### **TENANT WILL PROVIDE**

- 2. The Tenant will provide at its cost to the Landlord the following:
  - (a) All drawings to a format size of 900 x 600 mm (36" x 24") and shall be in a suitable scale, being (unless otherwise specified by the Landlord or unless a larger scale is required to properly show detail) 1:50 for storefront and sign detail, 1:5 for specific details, if required.
  - (b) A floor plan to a scale of 1:50 showing the location of all fixtures and equipment (including selling fixture layout, cash register location, rooms and partitions) and all items which affect the design of HVAC, electrical, sprinkler systems, method of fixturing, etc.
  - (c) Interior elevations, and sections indicating bulkheads where applicable.
  - (d) Reflected ceiling plan showing the location of air diffusers, lighting and other fixtures, sound system speakers, if any, sprinkler heads, if any, and other mechanical equipment.
  - (e) Electrical equipment to show all lighting and convenience outlets (showing height above finished floor level), Tenant's emergency lighting systems and telephone locations (if wall mounted showing the height above finished floor), the location of equipment requiring electrical power with all related data (i.e. horsepower, voltage, amperage, heat output, etc.) including under floor services. The Tenant will provide an electrical fixture schedule specifying the type, manufacturer, wattage, quantity, etc. of all electrical fixtures and equipment, and fire alarm pull boxes if required.
  - (f) Additional specifications as to any plumbing installations, specifications of any motors and other equipment, and all other information necessary to enable the Landlord to adapt mechanical electrical or plumbing systems of the building and to verify compatibility of requirements.
- 3. Slab Installation All floor slabs for the Premises have been or will be poured prior to the commencement of Tenant's Work. The Landlord shall have no responsibility to the Tenant for the cost of installation of under-floor requirements, all of which will in any event be completed on a basis satisfactory to the Landlord. Any coring must be approved by the Landlord's structural engineer and construction manager and x-rays will be required.
- 4. Circuit breakers, light fixtures, light switches, receptacles, wiring and labour to install equipment within the Premises will be the responsibility of the Tenant and must be C.S.A. approved. All Tenant's Work within the Premises will adhere to the quality generally in accordance with the specifications of the overall project and will be subject to inspection by the Landlord. All branch wiring will be copper, minimum size #12 T.W.H., no aluminium branch wiring will be allowed. All wiring shall be installed in circuit. Electrical Metallic Tubing ("conduit") will be installed in partitions and inaccessible ceiling areas. #12 BX wiring may be installed in accessible ceiling areas to pull boxes mounted in the ceiling area. Make-up air units, exhaust fans, exhaust hoods and required fire protection will be installed at the Tenant's expense.

### TENANT'S PRELIMINARY PLANS

5. Within fourteen (14) days after receipt by the Tenant of the Tenant Package the Tenant will furnish to the Landlord four preliminary plans (consisting of drawings supplemented by specifications and other information where appropriate) as to all of the matters in respect of which plans are required in order for the Landlord to check the basic elements of the proposed Tenant's work and conformity to structural and electric limitations, the Landlord's design concept and the basic requirements of this Schedule E. Whenever communication is required between the Tenant or its agent and the Landlord in this respect, it shall be done directly between the parties concerned. If the Landlord requires revisions to the Tenant's Preliminary Plans the Landlord will notify the Tenant's designer in writing with copies to the Tenant within ten (10) days and shall include one (1) set of marked-up preliminary plans.

### **TENANT'S DETAIL PLANS**

- 6. Within fourteen (14) days after the approval of the Tenant's Preliminary Plans, the Tenant will furnish to the Landlord three (3) sets of detail plans, as to all matters in respect of which plans are required as outlined in Tenant's Work and to be based upon the Tenant's preliminary plans, for approval by the Landlord.
- If the Landlord requires revisions to the Tenant's Detail Plans, the Landlord will notify the Tenant accordingly and proceed with revisions to avoid delay. The Landlord may make the required revisions at the Tenant's expense.

- 8. It is intended that the Tenant's designer make no more than two submissions of drawings for Tenant's Work and the drawings are to be of sufficient detail and quality for this purpose, inclusive of preliminary comments by the Landlord. If the Tenant's designer's drawings fail to meet this standard, and if inadequate drawings cause unreasonable additional work by the Landlord or if the processing of drawings by the Tenant's designer is delayed and will likely impede the opening date of the Tenant, the Landlord will notify the Tenant, and proceed to have the drawings corrected and/or completed, the cost of which will be to the sole account of the Tenant. The fees of the Landlord for such corrections will be on a per diem basis in accordance with the schedule established from time to time by the British Columbia Association of Architects for recommended minimum professional charges for prime consultants. The Tenant's detail plans as finally approved are herein referred to as the "Tenant's Detail Plans". After the Landlord has affixed its final approval, the Landlord will forward one copy of the approved plans to the Tenant.
- All disbursements and printing beyond the initial set of construction drawings will be at the Tenant's expense.
- 10. The Landlord's approval of the Tenant's drawings denotes acceptance of the information contained in the Tenant's drawings and specifications and approval of the visual design that the drawings appear to represent. The approval does not mean confirmation of dimensions shown on the drawings nor does it limit the responsibilities of the Tenant to those shown on the drawings and specifications. The Tenant will be responsible for all requirements of this Schedule E and sign criteria, all codes, regulations and laws of governing authorities having jurisdiction, whether or not this is completely shown on the Tenant's drawings, notwithstanding the Landlord's approval. The Landlord shall not be responsible for the function and performance of the Tenant's design, installations and construction.

#### FIRE AND SAFETY APPROVAL

11. Any and all revisions or work beyond the Landlord's base building, including but not limited to the following: fire exit corridors, ceiling rating, exit signage and battery packs, window and door replacement, required for fire department approvals, will be the sole expense of the Tenant.

### PERMITS AND APPROVALS

- 12. It will be the responsibility of the Tenant to seek and obtain all permits necessary for the conduct of the Tenant's Work and all occupancy permits. The Tenant will submit all Tenant's Detail Plans requiring approval to the City of Vancouver and/or other government authorities after their approval by the Landlord. If any further revisions to the Tenant's Detail Plans are necessary in order to obtain the required approvals and permits, the revisions shall be made promptly by the Tenant but will not deviate from the Landlord's criteria and other requirements of this Schedule E and will be re-submitted to the Landlord for approval prior to their re-submission to the City of Vancouver and such other governmental authorities. In any event all permit fees and other expenses associated with the obtaining of any necessary approvals and permits for the Tenant's Work will be borne by the Tenant and, where incurred by the Landlord, will be reimbursed to the Landlord.
- 13. The Landlord will not allow the Tenant's contractor to jackhammer floors, tie into main electrical or mechanical services, cut holes in the roof or do any other structural work and, therefore, some of the work shown on the Tenant's plans must be done by the Landlord's contractor even though the Tenant has arranged to use its own contractors for the majority of the work. Any work done by the Landlord's contractor will be back charged to the Tenant. The Tenant will have the right to approve in writing the costs prior to the commencement of the work.
- 14. The Tenant will not enter, nor will it permit its contractors to enter onto any roof in the Complex. Required openings must have Landlord's approval.
- 15. Only electrically operated equipment will be allowed in the Building except for restaurants, which will be allowed to use natural gas only with the written permission of the Landlord. There will not be permitted any use of propane, diesel or other fuels.
- 16. All light fixtures in sales areas will be recessed into the ceiling, save and except track or adjustable display lighting. No suspending loads will be attached to the underside of the roof structure or ceiling with the exception of a normal suspended ceiling and light fixtures, without the Landlord's written approval.

#### UTILITIES METERING

17. Each tenant will have its own electrical meter in a designated electrical room. It is the Tenant's responsibility to apply for, supply, and install this meter through the appropriate electrical authority. This must be done in co-operation with the Landlord's time schedule in order to facilitate feeder installation.

### EXHAUST AND ODOURS

CW11731240.1

 Objectionable odours shall be exhausted in such a manner as precludes their escaping into enclosed common areas or other rentable areas, or short-circuiting into any fresh-air vents.

### **EXPULSION OF FOREIGN SUBSTANCES**

19. Direct expulsion of grease, hair and foreign substances into the Building plumbing and drainage system shall not be allowed. Where operations of businesses are such that there are grease or other yields, the Tenant, at its cost, shall install into its plumbing system grease traps and grease interceptors and any other equipment necessary to enable grease and pollutant free effluent to the plumbing and drainage system, conforming to regularity codes, and standards set by the Landlord.

### GARBAGE REMOVAL

20. At the completion of the Tenant's Work, the Tenant will cause its contractors to forthwith remove all rubbish and all tools, equipment and surplus materials from and about the Premises and will leave the Premises clean to the satisfaction of the Landlord. This final clean-up will include the cleaning of light fixtures, millwork units, storefronts and public space affected by the work.

### DAMAGE

21. Any damage caused by the Tenant or its contractors or its sub-contractors to any work of the prime contractor or any property of the Landlord or other tenants will repaired to the satisfaction of the Landlord at the Tenant's expense.

### SECURITY

22. During the Fixturing Period, the Tenant will be fully responsible for its own security and the security of its contractors' supplies and equipment. No security for the Premises will be installed unless the prior written approval thereof has been obtained from the Landlord. The Tenant's Contractors shall at all times cooperate with the Landlord and the Landlord's Contractors to comply with security arrangements and meet security requirements set for the total project.

### CONSTRUCTION RESTRICTIONS

23. The Tenant's contractors will be subject to and comply with all rules, regulations and directions which may be imposed by the Landlord's contractors or the Landlord with respect to construction related matters. The Tenant's Work shall be confined to the Premises and the Tenant's Contractors shall not impede the progress of the Landlord's Contractors. If in the sole opinion of the Landlord's Architect or Landlord's Engineers this progress is impeded, then all corrective measures ordered and costs arising out therefrom shall be for the Tenant's account.

# PAYMENT OF TENANT CONTRACTORS

24. It is the Tenant's sole responsibility to pay its contractors for their work, and to ensure payment of all sub-contractors and suppliers. Upon demand by the Landlord, the Tenant will produce proof of such payment satisfactory to the Landlord (which may be in the form of a Statutory Declaration endorsed by all contractors and sub-contractors). The Tenant is responsible for the timely removal of any and all liens originating from any aspect of the Tenant's work.

# SCHEDULE "F" TO LEASE

### PERSONAL GUARANTEE AGREEMENT

THIS AGREEMENT made the 27<sup>th</sup> day of Novimber , 2018.

BETWEEN: Gateway Development Limited Partnership 325 West 4<sup>th</sup> Avenue Vancouver, BC V5Y 1H3

(the "Landlord")

AND:

OF THE FIRST PART

Amrit Maharaj Unit 305 - 1365 West 4th Vancouver, BC (the "Guarantor")

OF THE SECOND PART

WITNESSES THAT as a condition of the Landlord entering into a lease dated **November 27, 2018** (the "Lease") of certain premises known as **Strata Lots 6 to 11 at 2233 Bridgeway Street, Vancouver, B.C.** (the "Premises") with **Suna Entertainment Group Inc.** (the "Tenant"), the Guarantor, in consideration of the sum of \$1.00 now paid by the Landlord and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by the Guarantor, hereby makes the following guarantee and agreements with and in favour of the Landlord:

- The Guarantor does hereby unconditionally covenant and agree with the Landlord:
  - (a) to make the due and punctual payment of all rent, money and charges expressed to be payable under the Lease during the term (the "Term") contemplated by the Lease and any renewals or extensions thereof and any overholding thereafter;
  - (b) to effect prompt and complete performance of each term or condition in the Lease on the part of the Tenant to be kept, observed or performed during the Term and any renewals or extensions thereof and any overholding thereafter; and
  - (c) to indemnify and save harmless the Landlord from any loss, costs or damages arising out of any failure by the Tenant or the Guarantor or any other person liable therefor to pay the aforesaid rent, money and charges and/or the failure to perform any of the aforesaid terms or conditions.

2. This guarantee is absolute and unconditional, and the obligation of the Guarantor shall not be released, discharged, mitigated, impaired or affected by:

- any extension of time, indulgence or modification which the Landlord may extend or make with the Tenant from time to time in respect of the performance of any of the obligations of the Tenant under the Lease;
- (b) any waiver by, or neglect or failure of the Landlord to enforce any of the terms of the Lease;
- any assignment or sub-lease of the Lease by the Tenant or by any trustee, receiver or liquidator of the Tenant or the Guarantor;
- (d) any consent which the Landlord may give to any such assignment or sub-lease;
- (e) any modification or amendment of any kind to the Lease whether before or after the date of this Agreement, and the Guarantor acknowledges that he shall advise himself of all such changes and the Landlord has no obligation to advise him of such changes;
- (f) any act or failure to act of or by the Landlord with respect to matters contained in the Lease; or
- (g) the expiration or sooner termination of the Lease howsoever arising, including without limitation, whether by operation of law or resulting from the exercise of a trustee in bankruptcy's statutory right to disclaim any interest in the Lease and surrender of possession of the Premises to the Landlord.

3. The Guarantor hereby expressly waives notice of the acceptance of this guarantee and all notice of non-performance, non-payment, and non-observance on the part of the Tenant of any term of the Lease from time to time.

4. In the event of a default under the Lease or hereunder, the Guarantor waives any right to require the Landlord to:

- (a) proceed against the Tenant or pursue any rights or remedies with respect to the Lease;
- (b) proceed against or exhaust any security of the Tenant held by the Landlord; or
- (c) pursue any other remedy whatsoever in the Landlord's power.

The Landlord shall have the right to enforce this guarantee regardless of the acceptance of additional security from the Tenant and regardless of the release or discharge of the Tenant or any other guarantor or Guarantor in respect of the Lease, whether granted by the Landlord or by others or by operation of any law.

5. Without limiting the generality of the foregoing, the liability of the Guarantor under this guarantee shall not be deemed to have been waived, released, discharged, impaired or affected by reason of the death, bankruptcy or dissolution of the Tenant or by reason of the release or discharge of the Tenant' in any receivership, bankruptcy, winding-up or other creditors proceeding or the rejection, disaffirmance or disclaimer of the Lease in any proceeding, and shall continue with respect to the periods prior thereto and thereafter, for and with respect to the Term expressed in the Lease. The liability of the Guarantor shall not be affected by any repossession of the Premises by the Landlord, provided however, that the net payments received by the Landlord after deducting all costs and expenses of repossessing and/or releting the same shall be credited from time to time by the Landlord to reduce the liability of the Guarantor hereunder, and the Guarantor shall pay any balance owing to the Landlord from time to time immediately upon receipt of notice of the amount of such balance.

6 No action or proceeding brought or instituted under this guarantee and no recovery in pursuance thereof shall be a bar or defence to any further action or proceeding which may be brought under this guarantee by reason of any further default or defaults hereunder or in the performance or observance of the terms of the Lease.

7. No modification of this Agreement shall be effective unless it is in writing and signed by the Guarantor and the Landlord.

8. The Guarantor shall, without limiting the generality of the foregoing, be bound by this Agreement in the same manner as though the Guarantor were the tenant named in the Lease and the Guarantor hereby waives any and all rights it may have as surety, whether at law, in equity or otherwise, which may at any time be inconsistent with the provisions of this Agreement.

9. In the event of termination, disclaimer or surrender of the Lease, other than surrender voluntarily accepted by the Landlord, then at the option of the Landlord, the Guarantor agrees to lease the Premises from the Landlord on the terms and conditions of the Lease except as to renewal thereof for a term equal in duration to the residue of the Term of the Lease remaining unexpired at the date of such termination, disclaimer or surrender. It shall not be necessary for a further lease document to be executed by the Guarantor (though the Landlord may require such a lease document to be executed by the Guarantor (though the Landlord may require such a lease document of a lease of the Premises on the conditions of the Lease for a term equal in duration to the residue of the Term of the Lease as aforesaid. The Guarantor covenants that he shall accept such lease and shall pay rent and observe and perform the terms and conditions of such Lease. The Guarantor shall do all such acts and execute all such deeds and assurances as the Landlord may reasonably require to give effect to the intent of this provision.

10. All of the terms, agreements and conditions of this Agreement shall, during the term of the Lease and any renewals thereof, extend to and be binding upon the Guarantor, his heirs, executors, administrators, successors and assigns, and shall enure to the benefit of and may be enforced by the Landlord, their successors and assigns, and the holder of any mortgage to which the Lease may be subject and subordinate from time to time. The Landlord may assign the benefit of this Agreement to a subsequent owner of the Premises.

11. This Agreement shall be construed in accordance with the laws of the Province of British Columbia.

12. Any notice required or contemplated by any provision of this Agreement or which the Landlord or Guarantor may desire to give to the other shall be sufficiently given by email, personal delivery or by registered letter, postage prepaid, and addressed to the party to whom such notice is to be given at the address of such party as given in this guarantee or at such other address as either party may notify the other of in writing and any such notice shall be effective as of the day of such personal delivery or as of the day two business days following the date of such posting as the case may be.

13. If there is more than one person or party as Guarantor hereunder, the obligations and liabilities of such persons or parties hereunder shall be joint and several, and a notice given to any such person or party shall be deemed to be effective notice to each of such persons and parties.

#### CW11731240.1

14. Each reference herein to the Tenant shall be deemed to refer also to the heirs, executors, administrators, successors and permitted assigns of the Tenant.

15. Intentionally deleted.

IN WITNESS WHEREOF the Guarantor has executed this Agreement on the date first above written.

# BY THE GUARANTOR

SIGNED, SEALED AND DELIVERED by the Guarantor in the presence of:

Krik ~ Name ) Address 8633 185 A street Langel

(Guarantor) Amrit Maharaj

Occupation P mber