

ADMINISTRATIVE MEMORANDUM

Meeting Place:

Education Services Centre
2121 Lonsdale Avenue
Mountain View Room – Fifth Floor
North Vancouver, British Columbia

Format and Date:

PUBLIC BOARD MEETING
Tuesday, April 29, 2014 at 7:00
pm

			Estimated Completion Time
A.	Call to Order		
A.1.	Chairperson Stratton's opening remarks	(no schedule)	7:00 pm
A.2.	Approval of Agenda (that the agenda, as recommended in the Administrative Memorandum, be adopted.)	(no schedule)	7:00 pm
A.3.	Public Comment Period		7:10 pm
B.	Action Items		
B.1.	Plymouth School Tenure Bylaw 2014 – Lions Gate Christian Academy		7:30 pm
E.	Public Question & Comment Period		7:50 pm
F.	Adjournment	(no schedule)	7:50 pm

Georgia Allison
Secretary Treasurer

Note: The completion times on this agenda are estimates intended to assist the Board in its pacing.

Schedule A.3.
of the
Administrative Memorandum

Meeting Date: April 29, 2014 **Board** **Board, in camera**

Topic (as per the Memorandum): **Public Comment Period**

Narration:

In accordance with Board Policy 104: Board of Education – Meetings (June 23, 2010 revision), the Board provides a (10) minute public comment period as the first item of business after the adoption of the agenda. Speakers will be allocated a maximum of two (2) minutes each. The ten-minute comment period is intended to be restricted to items on the evening's Board Agenda and the Board will not respond to comments made during comment period. Members of the public wishing to discuss their concerns with Trustees should contact them after the meeting, by telephone or e-mail.

Speakers are requested to place their name on a signup sheet in order to speak during the Public Comment Period. The signup sheet will be available in the Board Room from 6:50 pm – 7:00 pm prior to the meeting's commencement. The Chair will invite those wishing to speak in the order that their name appears on the signup sheet.

When appearing before the Board, speakers are requested to state their name and address for the record.

During the Public Comment Period, as well as the Public Question and Comment Period at the end of the meeting, speakers may not speak disrespectfully of any Board Member, staff member, or any other person and must not use offensive words or gestures.

Speakers may speak only once at the Public Comment Period.

Schedule B.1
of the
Administrative Memorandum

Meeting Date: April 29, 2014 **Board** **Board, in camera**

Topic (as per the Memorandum): **Plymouth School Tenure Bylaw 2014 – THIRD READING**

Narration:

In October 2013, the School District issued a Request for Proposals for the disposition of the former Plymouth Elementary School lands. The School District was seeking interested parties to purchase the site, to enter into a prepaid long-term lease (of 60 to 99 years), or enter into a short-term lease of the property and the existing buildings for up to ten years. The School District evaluated the responses and selected Lions Gate Christian Academy as the lead proponent. A Letter of Intent was signed by the two parties on February 7, 2014. The Letter of Intent provided for a 90 day due diligence period where both Lions Gate Christian Academy and the School District could gain a better understanding of the opportunity, as well as work toward a lease agreement by May 1, 2014.

Lions Gate Christian Academy (LGCA) has been working through the District of North Vancouver's rezoning application process, with the School District's authorization, to allow LGCA to relocate their modular school and gymnasium to the Plymouth site prior to September 1, 2014. LGCA has accepted all risks associated with obtaining the required permitting and for the positioning of the modular on the site. If LGCA is unable to obtain the required approvals from the District of North Vancouver, after making reasonable efforts, they have the right to terminate the lease with at least one month's notice in the first year. Further, LGCA has a critical requirement to begin the necessary site preparation by May 1st in order for the opportunity to be viable and their school to be operational for a September opening.

The proposed lease agreement for an annual rate of \$350,000, gives Lions Gate Christian Academy occupancy of the Plymouth site for a period of 10 years commencing August 1, 2014.

The lease terms and conditions are attached to the bylaw.

Attachments:

School District No. 44 (North Vancouver) Plymouth School Tenure Bylaw 2014
DRAFT - Lease Between The Board of Education of School District No. 44 (North Vancouver)
and Lions Gate Christian Academy Association

ScheduleB.1..... (continued)

Narration (continued)

RECOMMENDED MOTION:

that School District No. 44 (North Vancouver) Plymouth School Tenure Bylaw 2014 be read a third time, passed and adopted.

Procedural Note:

(per section 68(4) of the *School Act*) the Board may not give a bylaw more than two readings at any one meeting unless the members of the Board who are present at the meeting unanimously agree to give the bylaw all three readings at that meeting.

**THE BOARD OF EDUCATION
OF
SCHOOL DISTRICT NO. 44**

NORTH VANCOUVER PLYMOUTH SCHOOL TENURE BYLAW 2014

WHEREAS the Board may dispose of land and/or improvements owned or administered by the Board under the authority of Section 96(3) of the School Act;

AND WHEREAS Section 65(5) of the *School Act* requires the Board to exercise a power with respect to the acquisition or disposal of property only by bylaw;

AND WHEREAS the disposition of property includes the granting of any interest in land, including any right, title or estate in it or any tenure;

AND WHEREAS the Board will not require the property disposed of by this bylaw for future educational purposes;

NOW THEREFORE be it resolved that the Board of Education of School District No. 44 hereby agree to enter into a tenure agreement with Lions Gate Christian Academy Association (the "Tenure") for the school building and land owned by the Board known and described as:

PID: 008-702-306
District Lots 469 and 580

Lot 77 Block W
Plan 13272

BE IT FURTHER resolved that the Secretary Treasurer be authorized, on behalf of the School District, to execute the Tenure, substantially in the form attached to this bylaw, on terms no less favourable to the School District than those set out in the attached Tenure.

This bylaw may be cited as "School District No. 44 North Vancouver Plymouth School Tenure Bylaw 2014".

Read a first time this 22nd day of April 2014.

Read a second time this 22nd day of April 2014.

Read a third and final time, passed and adopted this _____ day of _____, 2014.

Board Chair

Corporate Seal

Secretary Treasurer

I HEREBY CERTIFY this to be a true original of School District No. 44 North Vancouver Plymouth School Tenure Bylaw 2014, adopted by the Board the ___ day of ___ 2014.

Secretary Treasurer

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LEASE

(this “**Lease**”) is made between The Board of Education of School District No. 44 (North Vancouver) (the “**Landlord**”) and the Tenant herein identified and constitutes a Lease between the Landlord and the Tenant (collectively, the “**Parties**” and individually, a “**Party**”) of certain premises consisting of the lands more particularly described on Schedule A attached hereto (the “**Lands**”), including the building (the “**Building**”) and improvements located thereon (collectively, the “**Premises**”), having an address of 919 Tollcross Road, North Vancouver, B.C., and known as the PLYMOUTH ELEMENTARY SCHOOL, on the terms and subject to the conditions hereinafter described.

ARTICLE 1 - BASIC LEASE TERMS

1.1 Basic Lease Terms:

The following are certain basic lease terms which are hereby defined and form part of this Lease:

- (1) Date of this Lease: May 1, 2014
- (2) Landlord: The Board of Education of School District No. 44 (North Vancouver)
- (3) Address of Landlord: 2121 Lonsdale Avenue, North Vancouver, B.C., V7M 2K6
- (4) Tenant: LIONS GATE CHRISTIAN ACADEMY ASSOCIATION
- (5) Address of Tenant: 919 Tollcross Road, North Vancouver, B.C., V7H 2G3
- (6) Tenant’s Trade Name and Style: Lions Gate Christian Academy
- (7) Lease Term: Ten Years, ending on July 31, 2024, subject to early termination in accordance with the provisions of this Lease (the “**Term**”)
- (8) Commencement Date of Term: August 1, 2014
- (9) Fixturing Period (if any): May 1, 2014 to July 31, 2014
- (10) Premises: The Lands at 919 Tollcross Road, North Vancouver, B.C., described in Schedule A attached hereto, including the Building and improvements
- (11) Permitted Use of the Premises: Operation of an “independent school” as defined in the B.C. *Independent School Act* [RSBC 1996] Chapter 216, as amended, and such other uses as may be approved in advance in writing by the Landlord, in the Landlord’s absolute discretion
- (12) Monthly Rent: \$29,166.67 plus GST
- (13) Security Deposit: \$58,333.33 plus GST (the “**Security Deposit**”)

ARTICLE 2 - PREMISES AND TERM

2.1 Demise of Premises:

In consideration of the rents, covenants, conditions and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord demises and leases the Premises to the Tenant and the Tenant hereby accepts such demise and lease, to have and to hold from the Commencement Date for the Term and upon the terms and conditions specified in this Lease.

2.2 Area of Premises:

The Landlord and the Tenant acknowledge and agree that the rental for the Premises is not based on the area of the Premises and is therefore not subject to adjustment during the Term as a result of any measurement or remeasurement.

2.3 Surrender at End of Term:

The Tenant shall, at the expiration or sooner determination of the Term or any renewal, peaceably surrender and yield up to the Landlord the Premises with, subject to section 9.13, the appurtenances and all fixtures or erections which at any time during the Term or any renewal shall be made therein or thereon in good and substantial repair and condition, and shall deliver to the Landlord all keys to the Premises which the Tenant has in its possession.

2.4 Overholding:

If at the expiration of the Term the Tenant shall hold over with the consent of the Landlord, then the tenancy of the Tenant thereafter shall, in the absence of written agreement to the contrary, be from month to month only at a rental per month equal to two times the Monthly Rent provided for in the last preceding year of this Lease, payable monthly in advance on the first day of each month and shall be subject to all other terms and conditions of this Lease.

ARTICLE 3 - RENT

3.1 Rent:

The Tenant shall pay to the Landlord, or as the Landlord may in writing direct, in lawful money of Canada, without any deduction, abatement or set-off whatsoever, on the days and at the times hereinafter specified during each year of the Term, the aggregate of the following sums (herein collectively called the "**Rent**"):

- (a) the Monthly Rent specified in section 1.1(12), plus all applicable Taxes; and
- (b) all additional rent or payments as provided in this Lease.

If the Term commences on a day which is not the first day of a calendar month, then the instalment of Monthly Rent payable on the date of commencement of the Term for the broken portion of the calendar month at the start of the Term shall be calculated at a rate per day equal to 1/365th of the annual aggregate Monthly Rent.

3.2 Rent Payments:

The payment of the Rent shall be made to the Landlord by the Tenant at the Landlord's designated office or at such other place as the Landlord may from time to time designate in writing. The payments of the Monthly Rent shall be made in consecutive instalments on the first day of each month of the Term, in advance. The Tenant will, at the request of the Landlord, forthwith deliver to the Landlord postdated cheques for the monthly instalments of the Monthly Rent for the twelve months ensuing. The Expenses and Taxes shall be paid monthly in accordance with the reasonable forward estimates thereof made by the Landlord and shall be adjusted at the end of each Lease Year as provided in section 7.2.

3.3 Security Deposit:

The Security Deposit, if any, specified in section 1.1(13) shall be paid by the Tenant to the Landlord forthwith upon the execution of this Lease. One half of the Security Deposit shall be applied by the Landlord to the first month's rent, and the balance may be applied from time to time by the Landlord in satisfaction of any amounts payable by the Tenant under this Lease. If so applied, the Tenant will restore the Security Deposit to one half its original amount forthwith upon demand by the Landlord. The Tenant shall not be entitled to any interest on the Security Deposit.

3.4 Interest On Overdue Rent:

Interest on any monies due to the Landlord under this Lease shall be paid by the Tenant and shall accrue at a rate which is the aggregate of three percent per annum plus the "Prime Interest Rate" (as herein defined), such rate of interest to be calculated and compounded monthly, not in advance from the due date for payment of such monies. For the purposes of this Lease, the term "Prime Interest Rate" shall mean the rate of interest per annum (regardless of how or when calculated) designated from time to time by the Royal Bank of Canada (herein called the "Bank") as being the prime commercial lending rate (now commonly known as the Bank's "Prime Rate") charged by the Bank for demand loans in Canadian funds made at the main branch of the Bank in Vancouver, British Columbia (and if at any time there is more than one prime commercial lending rate of the Bank then the Prime Interest Rate shall be the highest prime commercial lending rate of the Bank). If the Prime Interest Rate changes, and so often as the same occurs at any time until the monies owing hereunder have been paid in full, the rate of interest charged under this Lease shall change on the same day and in the same amount as the Prime Interest Rate changed. It is further understood and agreed that there shall be no reduction in the Prime Interest Rate in the event that the Prime Interest Rate is calculated by the Bank on a basis other than a monthly basis as provided in this Lease.

3.5 Late Payment Processing Fee:

If the Tenant does not pay when due any payments required under this Lease, the Tenant will forthwith pay a late processing fee of \$100 for each such late payment.

3.6 Evidence of Payments:

The Tenant shall produce to the Landlord from time to time at the request of the Landlord satisfactory evidence of the due payment by the Tenant of all payments required to be made by the Tenant under this Lease.

3.7 Additional Rent:

All sums payable by the Tenant to the Landlord under this Lease and all sums paid or expenses incurred hereunder by the Landlord which ought to have been paid or incurred by the Tenant, or for which the Landlord is entitled to reimbursement from the Tenant, and any interest owing to the Landlord hereunder may be recovered by the Landlord as additional rent by any and all remedies available to it for the recovery of rent in arrears.

ARTICLE 4 - GENERAL COVENANTS

4.1 Covenants of Landlord:

The Landlord covenants with the Tenant that, subject to any provisions of the Lease to the contrary, the Tenant shall and may peaceably possess and enjoy the Premises during the Term without any interruption or disturbance from the Landlord or any other person or persons lawfully claiming by, from or under it, and the Landlord shall observe and perform all the covenants and provisions of this Lease on its part to be observed and performed.

4.2 Covenants of Tenant:

The Tenant covenants to pay rent and to observe and perform all the covenants and provisions of this Lease on its part to be observed and performed.

ARTICLE 5 - BUSINESS AND USE

5.1 Permitted Use:

The Tenant shall not use the Premises nor allow the Premises to be used for any purpose other than that provided in section 1.1(11). In addition, with the Landlord's prior written consent, not to be unreasonably withheld, the Tenant may permit non-profit community groups to occupy portions of the Premises pursuant to written license agreements in such form and on such terms as may be required by the Landlord in the Landlord's discretion.

5.2 Required and Prohibited Conduct:

The Tenant shall occupy the Premises from and after the date of commencement of the Term. The Tenant shall conduct continuously and actively the business or activity set out in section 1.1(11) hereof (and no other business or activity) in the whole of the Premises. In the conduct of the Tenant's business and activity at the Premises, the Tenant shall:

- (a) abide by all applicable laws, regulations and orders of authorities having jurisdiction;
- (b) not conduct or permit any auction, bulk sale, liquidation sale, "going out of business" sale, fire sale, bankruptcy sale, or warehouse sale; and
- (c) not conduct or permit any sale or business which, for any reason, would, in the Landlord's opinion, tend to negatively affect the reputation of the Landlord.

5.3 No Nuisance:

The Tenant shall not at any time use, exercise or carry on or permit or suffer to be used, exercised or carried on, in or upon the Premises or any part thereof any noxious, noisome or offensive act, trade, business, occupation or calling. No act, matter or thing whatsoever shall at any time during the Term be done in or upon the Premises or any part thereof which shall or may be or grow to become an annoyance, nuisance, damage or disturbance to or of any of the other occupiers of the Lands or of any lands or properties in the vicinity of the Lands.

5.4 Compliance with Laws:

The Tenant shall comply promptly at its own expense with all laws, by-laws, ordinances, regulations, requirements and recommendations which may be applicable to the Tenant or to the manner of use of the Premises, of any and all federal, provincial, civic, municipal and other authorities including the Landlord, or association of insurance underwriters or agents, and all notices in pursuance of same and whether served upon the Landlord or the Tenant. Without limiting the foregoing:

- (a) The Tenant acknowledges that the Tobacco Control Act prohibits the use of tobacco and smoking (the “**Smoking Ban**”), and the Landlord prohibits the consumption of alcohol (the “**Drinking Ban**”), in all school district buildings and on all school district lands, and the Tenant agrees that during the Term and while the Tenant remains in occupancy of the Premises, the Tenant will comply with the Smoking Ban and the Drinking Ban and will use its best efforts to enforce the Smoking Ban and the Drinking Ban in the Premises and on and about the Lands.
- (b) The Tenant acknowledges that asbestos may be present in the Premises, and that in accordance with the Occupational Health and Safety Regulation (the “**Regulation**”), the Tenant is responsible for complying, and ensuring that all its staff and invitees comply, with the Regulation. Without limitation, the Tenant shall not disturb any structural materials in the Premises, such as by drilling or nailing holes to hang pictures, except in compliance with the Regulation.
- (c) The Tenant shall obtain all approvals or permits necessary for its use or occupation of the Premises and for any work to be done on the Premises, and acknowledges that the Landlord makes no representation or warranty that the uses allowed by this Lease are permitted by such laws, ordinances, regulations, requirements and recommendations. Without limitation, the Tenant must comply with any and all rezoning requirements relating to the Tenant’s proposed use of the Premises. The Tenant may not submit a rezoning application without the prior written approval of the Landlord, in the Landlord’s absolute discretion. The Landlord will co-operate reasonably with the Tenant in respect of an approved application, but the Tenant shall bear all risks and expense associated with any rezoning including, without limitation, the cost of ongoing compliance with any rezoning requirements, which obligation shall survive the expiry or termination of this Lease.
- (d) The Tenant shall comply with any and all municipal requirements for community consultation relating to the Tenant’s proposed use of the Premises. The Landlord will co-operate reasonably as may be required by the municipality in such consultation, but the Tenant shall bear all risks and expenses associated with the consultation process.

5.5 Signs:

The Tenant shall not paint, display, inscribe, place or affix any sign, picture, advertisement, notice, flag, banner, lettering or direction on any part of the Lands, the outside of the Building or on the interior or exterior of any glass, or inside the Premises in such a position as to be visible from the outside of the Premises or in any corridor, hallway, entrance or other publicly visible part of the Premises, without the prior written approval of the Landlord, not to be unreasonably withheld. The Landlord may prescribe a uniform pattern for identification signs to be placed on the outside of the Premises. The Tenant shall display the Canadian flag on the Lands in accordance with the protocols prescribed by the government of Canada, and the Tenant shall display the flag of British Columbia on the Lands in accordance with the protocols prescribed by the government of British Columbia.

5.6 Business Name:

The business to be carried on in the Premises from time to time shall be carried on under the Tenant’s name, or the Tenant’s trade name and style set out in section 1.1(6), or such other trade name and style as may from time to time be approved by the Landlord in writing, and not otherwise.

ARTICLE 6 - TAXES

6.1 Taxes Payable by Tenant:

The Tenant shall pay when due all Taxes payable in respect of the Premises, if any. Without limiting the foregoing, the Tenant shall pay when due all goods and services taxes, harmonized sales taxes, value added taxes and similar

taxes or government charges that may be imposed or assessed in connection with this Lease, including penalties for late payment thereof. The Tenant shall pay when due all business or other taxes (if any) from time to time levied in respect of the Tenant's use or occupancy of the Premises, including penalties for late payment thereof. The Tenant shall pay when due all business licence fees and all other taxes and charges (if any) levied or assessed in respect of the use or occupancy of the Premises by the Tenant or the equipment, machinery, or fixtures brought therein or belonging to the Tenant, or to anyone occupying the Premises with the Tenant's consent, including penalties for late payment thereof.

ARTICLE 7 - EXPENSES AND TAXES

7.1 Expenses and Taxes:

The Tenant shall pay as additional rent to the Landlord by monthly instalments to be fixed by the Landlord from time to time the Expenses and Taxes.

7.2 Annual Adjustment:

At the end of each Lease Year, the Landlord shall compute the amount of the Expenses and Taxes for the Premises for such Lease Year. A statement showing these details shall be submitted to the Tenant stating also the amount of the monthly instalments for the ensuing Lease Year. The determination and allocation of the Expenses and Taxes shall be binding on the Tenant unless such determination and allocation has been made erroneously or unreasonably in a substantial respect. Notwithstanding the foregoing, the Landlord's determination and allocation of the Expenses and Taxes if not disputed by the Tenant in writing within sixty days of receipt of such statement shall be final and binding on the Tenant.

7.3 Utilities:

The Tenant shall pay for, and discharge all rates and charges for all services and utilities whatsoever supplied to or used in connection with the Premises, including without limitation, water, gas, heat, air-conditioning, electricity, telephone, cable, internet and any other utilities or equipment used in respect of the Premises, whether billed directly to the Tenant or indirectly through the Landlord. In the event that any of such rates and charges are not separately metered or charged to the Premises, then the Landlord, acting reasonably, may, at its option, allocate such rates and charges among the Tenant and other consumers of such utilities.

7.4 Net Lease:

The Tenant acknowledges and agrees that it is intended that this Lease shall be a completely carefree net lease for the Landlord except as shall be otherwise specifically provided in this Lease. The Landlord shall not be responsible during the Term or any renewal for any taxes, costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Premises. Except as shall be otherwise provided in the specific provisions contained in this Lease, the Tenant shall pay all charges, impositions and costs of every nature and kind relating to the Premises whether or not referred to herein and whether or not within the contemplation of the Landlord or the Tenant.

ARTICLE 8 - HEATING, VENTILATING AND AIR-CONDITIONING

8.1 Heating, Ventilation and Cooling:

In no event shall the Landlord have any obligation or liability in connection with the cessation or unavailability, or the interruption or suspension, at any time, of any heating, ventilating and air conditioning system within the Premises.

8.2 Tenant's Covenants Respecting Heating and Cooling:

The Tenant covenants that any portion of the heating, ventilating and air conditioning system in, and for the exclusive use of, the Premises shall always be in good repair and operating order and shall always be capable of maintaining any design criteria therefor as established by the Landlord from time to time. The Tenant shall operate all such portions of the heating, ventilating and air conditioning system to the satisfaction of the Landlord. The Tenant covenants that it will maintain the temperature in the Premises at a reasonable standard of comfort at all times when the Premises are open for business.

ARTICLE 9 - MAINTENANCE, REPAIRS AND ALTERATIONS

9.1 Care and Repair of Premises:

The Landlord will at its own risk and expense repair or replace the roof of the Building during the Term, as and when the Landlord considers necessary, in the Landlord's discretion. The Tenant acknowledges and agrees that the Premises are otherwise being leased to the Tenant on an "as is" basis, and the Tenant shall at all times during the Term and any renewal at its own cost repair and maintain in a safe, lawful, clean and sanitary condition, the Premises including appurtenances, fixtures, doors, frames, glass, walls, floors, ceilings, sprinklers, heating, ventilating and air-conditioning equipment, plumbing including the free flow of the sewer and all equipment and fixtures now or hereafter installed in the Premises, such repairs and maintenance to be executed as necessary, or as reasonably required by the Landlord. Without limiting the foregoing, the Tenant shall be responsible for all cleaning and custodial work, pest control and snow removal. Only qualified contractors selected by the Landlord or selected by the Tenant and approved by the Landlord, such approval not to be unreasonably withheld, shall execute work on plumbing, electrical and other mechanical systems, and the Tenant shall reimburse the Landlord for the cost of such works done by the Landlord's contractors as and when required by the Landlord.

9.2 Light Fixtures:

The Tenant shall at its own expense be responsible for and shall maintain and replace from time to time as may be reasonably necessary during the Term and any renewal all light fixtures, tubes, ballasts and starters in the Premises. The Landlord shall have the right to attend to such maintenance and replacements at the cost of the Tenant.

9.3 Glass:

The Tenant shall at its own expense replace or repair, under the direction and to the reasonable satisfaction of the Landlord, the glass, locks and trimmings of the doors and windows in or upon the Premises which become damaged or broken except any glass, locks or trimmings damaged or broken by the Landlord, its employees, agents or contractors.

9.4 Inspection for Repairs:

The Landlord and its agents shall have the right at all reasonable times during the Term and any renewals, to enter the Premises to examine the condition thereof. The Tenant shall make all repairs and perform all maintenance which the Landlord may require by notice in writing.

9.5 Alterations:

Without the prior written consent of the Landlord, the Tenant shall not make any changes, alterations, additions, repairs or improvements to the Premises. The Tenant shall submit to the Landlord detailed plans and specifications for any such work or installation when applying for consent. The Landlord reserves the right to recover from the Tenant the cost of having its architects or engineers examine such plans and specifications. The Landlord may require that any or all work to be done, or materials to be supplied hereunder shall be done or supplied by the Landlord's qualified contractors and/or workmen or by qualified contractors and/or workmen engaged by the

Tenant but first approved by the Landlord. Any and all work to be done or materials to be supplied hereunder (other than the roof repair or replacement by the Landlord) shall be at the sole cost and expense of the Tenant, and shall be done and supplied and paid for in the manner and according to such terms and conditions, if any, as the Landlord may prescribe. Any connections of apparatus to the electrical system other than a connection to an existing base receptacle or any connection of apparatus to the plumbing lines shall be deemed to be an alteration within the meaning of this section. All changes, alterations, additions, repairs, improvements and decorations shall be completed in a good and workmanlike manner and will comply with all statutes, regulations or by-laws of any municipal, provincial, federal or other authority. The Tenant will obtain all permits or approvals necessary for all changes, alterations, additions, repairs, improvements and decorations.

9.6 Fixturing Period:

If a fixturing period is specified in section 1.1(9), and if the Premises are then vacant and available for occupation by the Tenant, then the Tenant may enter the Premises solely for the purpose of performing work previously approved by the Landlord under section 9.5. If the Tenant so enters the Premises, then the terms of this Lease shall apply during the fixturing period, except as to the payment of monthly rent. The Landlord has no responsibility, risk or liability whatsoever for any loss of or damage to any work, improvements, fixtures or equipment installed or left on the Premises by the Tenant.

9.7 Landlord's Right to Inspect and Display Sign:

Any person or persons may inspect the Premises and all parts thereof at all reasonable times on producing a written order to that effect signed by the Landlord or its agents. The Landlord shall have the right during the last six months of the Term to place upon the Premises a notice of reasonable dimensions and reasonably placed so as not to interfere with the business of the Tenant, stating that the Premises are for rent or sale. The Tenant will not remove, alter or obscure such notice or permit the same to be removed, altered or obscured.

9.8 Liens:

The Tenant shall promptly pay all charges incurred by the Tenant for any work, materials or services that may be done, supplied or performed in respect of the Premises. The Tenant will not suffer or permit any liens to exist or to be filed against the Building or the Lands. The Tenant shall forthwith discharge any liens at any time filed against and keep the Lands and the Building free from liens. In the event that the Tenant fails to do so, the Landlord may, but shall be under no obligation to, pay into Court the amount required to obtain a discharge of any such lien in the name of the Tenant. Any amount so paid together with all disbursements and costs in respect of such proceedings on a solicitor and his own client basis shall be forthwith due and payable by the Tenant to the Landlord as additional rent. The Tenant shall allow the Landlord to post and keep posted on the Premises any notices that the Landlord may desire to post under the provisions of the *Builders Lien Act* of British Columbia or other similar legislation.

9.9 Window Coverings:

The Tenant shall not, without the prior written consent of the Landlord, put up any window drapes, blinds, awnings or other similar things.

9.10 Overloading Services:

The Tenant shall not install any equipment that will exceed or overload the capacity of any utility or service facilities. If, in the opinion of the Landlord, any equipment installed by the Tenant shall require additional utility service facilities, the same shall be installed at the Tenant's expense in accordance with plans and specifications to be approved in writing by the Landlord.

9.11 Cleaning on Termination:

The Tenant shall immediately before the expiration or sooner determination of this Lease wash the floors, windows, doors, walls and woodwork of the Premises. The Tenant will not upon such expiration or sooner determination leave upon the Premises any rubbish or waste material. The Tenant will leave the Premises in a clean and tidy condition.

9.12 Goods and Chattels Not to be Removed:

All goods, chattels and fixtures when moved into the Premises shall not, except in the normal course of business, be removed from the Premises until all Rent due or to become due during the Term and all utility charges are fully paid.

9.13 Removal of Fixtures:

All fixtures, changes, alterations, additions, repairs, improvements and decorations made to or installed in the Premises other than any portable buildings moved onto the Premises by the Tenant, and any unattached moveable trade fixtures, shall become the property of the Landlord on such making or installation. Subject to section 9.12 hereof and provided the Tenant is not in default of any of its covenants under this Lease, then the Tenant may at or prior to the expiration of the Term or any renewal hereby granted, take, remove and carry away from the Premises any portable buildings moved onto the Premises by the Tenant, and all fixtures, fittings, shelving, counters or other articles upon the Premises in the nature of tenants' trade fixtures. The Tenant shall in such removal do no damage to the Premises, or shall make good any such damage. The Tenant shall not remove or carry away from the Premises any plumbing, heating, air conditioning or ventilating plant or equipment servicing the Building, or any other Building services. The Landlord shall have the right upon the termination of this Lease by effluxion of time or otherwise to require the Tenant to remove any portable buildings, installations, alterations, additions, partitions and fixtures or anything in the nature of leasehold improvements made or installed by the Tenant or by the Landlord on behalf of the Tenant and to make good any damage caused to the Premises by such removal.

9.14 Damage to Building by Tenant:

The Tenant shall reimburse the Landlord for costs incurred by the Landlord in making good any damage caused to the Building or any part thereof including the furnishings and amenities thereof as a result of the negligence or wilful act of the Tenant, its invitees, licensees, agents, servants or other persons from time to time in or about the Premises.

9.15 Damage or Destruction of Premises or Building:

If all or any portion of the Building shall be damaged by reason of any cause other than as described in section 9.14 to such an extent that the Premises or a substantial portion thereof are not suitable for use by the Tenant, and if the Tenant does not elect to repair the damage at the Tenant's sole risk and expense, then either the Tenant or the Landlord may terminate this Lease upon thirty days' written notice to the other Party. The Tenant shall thereupon immediately surrender the Premises and this Lease to the Landlord and Rent shall be apportioned to the date of such termination. The Landlord shall not in any circumstances be required to repair, restore or rebuild the Premises.

9.16 Examination of Premises:

The Tenant will examine the Premises and the Building before taking possession under this Lease. Such taking of possession will be, in the absence of agreement in writing to the contrary, conclusive evidence as against the Tenant that at the time thereof the Premises and the Building were in good order and satisfactory condition, acceptable to the Tenant. No promise of the Landlord to alter, remodel or improve the Premises or the Building and no representation respecting the condition of the Premises or the Building have been made by the Landlord except as may be expressly stated herein.

9.17 Landlord's Projects and Rights to Do Work:

Notwithstanding anything herein to the contrary, the Landlord shall have the right at all times and from time to time, to:

- (a) use, install, maintain and repair pipes, wires, ducts or other installations in, under or through the Premises for or in connection with the supply of any services to the Premises or any other premises in the Building, such services to include, without limiting the generality of the foregoing, gas, electricity, water, sanitation, telephone, heating, air-conditioning and ventilation;
- (b) make changes and additions to the pipes, conduits and ducts or other structural and non-structural installations in the Premises and Building where desirable to serve the Premises or the Building or to facilitate expansion or alteration of the Building or the construction of new buildings, (including, without limitation, the construction and erection of columns and support facilities) but shall not unreasonably interfere with the use and enjoyment of the Premises beyond the extent necessary for such changes, additions and installations, and shall make good any damage to the Premises arising in the course of such changes and additions;
- (c) interrupt or suspend the supply of electricity, water or other utilities and services when necessary and until the said additions, improvements, installations or repairs shall have been completed; and
- (d) temporarily obstruct or close off any Building or any parts thereof for the purpose of maintenance, repair or construction or for any purpose specified above.

Without limiting the generality of the foregoing, the Tenant acknowledges that the Tenant shall not have any right to object to nor any right to any claim of damages or any reduction or abatement in Rent in respect of any exercise of the Landlord's rights under this section. The exercise by the Landlord of its rights set forth in this section shall not be deemed to be a constructive or actual eviction of the Tenant, nor a breach of any covenant of quiet enjoyment or other covenant contained in this Lease.

9.18 Notice of Accidents and Defects:

The Tenant shall give the Landlord prompt written notice of any damage to or defect in the heating, ventilating or air-conditioning system, water pipes, gas pipes, telephone lines, electric lighting and wiring and other mechanical, electrical and utility systems and apparatus in the Premises.

9.19 Termination Rights:

Notwithstanding anything herein contained, the Tenant shall have the right in its discretion to terminate this Lease:

- (a) at any time during the first Lease Year, on at least one month's written notice to the Landlord specifying the effective date of termination; and
- (b) at any time after the first Lease Year, on at least one year's written notice to the Landlord specifying the effective date of termination.

In either case, the Tenant shall vacate and fully restore the Premises on or before the effective date of termination.

ARTICLE 10 - INSURANCE AND LIABILITY

10.1 Tenant Insurance:

The Tenant covenants and agrees with the Landlord to maintain the following insurance coverage throughout the Term:

- (a) All risk property and boiler and machinery insurance, if applicable, in respect of the Tenant's inventory and stock in trade, furniture and fixtures and any other property of the Tenant in or forming part of the Premises (fixed improvements) to the full replacement cost value thereof. The policy shall contain a waiver of the insurer's rights of subrogation against the Landlord and name the Landlord as loss payee with respect to its interest in the fixed improvements (the Landlord agrees to make available such proceeds towards the repair or replacement of the insured property if this Lease is not terminated pursuant to any other provision hereof).
- (b) General liability insurance including bodily injury, and property damage on an occurrence basis with respect to the business carried on or in or from the Premises and Tenant's use and occupancy thereof. The limit of such insurance shall be for not less than Five Million Dollars (\$5,000,000.00) inclusive per occurrence or such higher limits as may be required by the Landlord from time to time. This insurance shall name the Landlord as an additional insured, and shall include a cross liability clause and tenant's legal liability insurance in the minimum amount of One Million Dollars (\$1,000,000.00).
- (c) Such other insurance of the Premises and business conducted as would be carried by a prudent operator of premises similar in use, type and location.

If the Tenant does not provide or maintain in force such insurance, the Landlord may take out the necessary insurance and pay the premium therefor. The Tenant shall pay to the Landlord as additional rental the amount of such premium immediately on demand. If both the Landlord and the Tenant have claims to be indemnified under any such insurance, the indemnity shall be applied first to the settlement of the claim of the Landlord and the balance, if any, to the settlement of the claim of the Tenant.

10.2 Insurance Certificates:

The Tenant shall obtain and provide to the Landlord prior to occupying the Premises insurance certificates issued by the insurer or insurance broker of the Tenant containing the following information:

- (a) Name of insurance company and the binder or policy number.
- (b) Name and address of the Insured (user group).
- (c) Policy period (covering at least the period the Lease is in place).
- (d) Description of coverage.
- (e) Policy limits.
- (f) Description of insured operations and location(s).
- (g) Signature of authorized representative and date.

10.3 Acts Conflicting with Insurance:

The Tenant shall not do or permit to be done any act or thing which might render void or voidable or conflict with the requirements of any policy of insurance, including any regulations of fire insurance underwriters applicable to such policy, whereby the Premises or the Building or the Lands are insured or which may cause any increase in premium to be paid in respect of any such policy. In the event that any policy is cancelled or threatened to be cancelled by reason of any act or omission of the Tenant, the Landlord shall, in addition to any other remedies under this Lease or otherwise available to the Landlord, have the right at its option to terminate this Lease forthwith by giving notice of termination to the Tenant. In the event that the premium to be paid in respect of any such policy is increased by any act or omission of the Tenant, including the use of the Premises for the purposes for which they are leased in this Lease, the Tenant shall immediately pay to the Landlord the amount by which the premium shall be so increased.

10.4 Indemnity to Landlord:

The Tenant shall indemnify and save harmless the Landlord and its trustees, officers, agents, employees and contractors of and from any and all liabilities, damages, costs, expenses (including legal fees and disbursements on a solicitor and his own client basis), claims, suits or actions arising out of:

- (a) any breach, violation or non-performance of any covenant, condition or agreement in this Lease on the part of the Tenant to be fulfilled, kept, observed and performed;
- (b) any damage to property while the property is in or about the Premises; and
- (c) any injury to any licensee, invitee, agent or employee of the Tenant, or any other person for whom the Tenant is in law responsible, including death resulting at any time therefrom, and any damage to any property of such person, occurring in or about the Premises or on the Lands;

This indemnity shall survive the expiry or sooner determination of this Lease.

10.5 Interruption of Utilities:

In no event shall the Landlord be liable to the Tenant or any third party for any liability or damages arising from the interruption or failure of any utility or service supplied to or used in connection with the Premises, and the Tenant shall indemnify and save harmless the Landlord from any such liability or damages.

10.6 Unavoidable Failures or Delays by Landlord:

Whenever and to the extent that the Landlord shall be unable to fulfill or shall be delayed or restricted in the fulfillment of any obligation hereunder by reason of being unable to obtain the material, goods, equipment, service, utility or labour required to enable it to fulfil such obligation or by reason of any statute, law or order-in-council or any regulation or order passed or made pursuant thereto or by reason of the order or direction of any administration, controller or board of any governmental department or officer or other authority or by reason of not being able to obtain any permission or authority required thereby or by reason of any other cause beyond its control whether of the foregoing character or not, the Landlord shall be relieved from the fulfillment of such obligation and the Tenant shall not be entitled to compensation for any loss, damage, inconvenience, nuisance or discomfort thereby occasioned. There shall be no deduction from the Rent by reason of any such failure or cause.

10.7 Landlord Not Responsible for Injuries, Loss, or Damage:

The Landlord shall not be responsible in any way for any injury to any person or for any loss of or damage to any property belonging to the Tenant or to other occupants of the Premises or to their respective invitees, licensees, agents, servants or other persons from time to time attending at the Premises while such person or property is in or about the Lands or the Building or any areaways, parking areas, lawns, sidewalks, steps, truckways, platforms,

corridors, stairways, elevators or escalators in connection therewith, including without limiting the foregoing, any loss of or damage to any such property caused by theft or breakage, or by steam, water, rain or snow which may leak into, issue or flow from any part of the Lands or the Building or any adjacent or neighbouring lands or premises or from any other place or quarter or for any loss of or damage caused by or attributable to the condition or arrangements of any electric or other wiring or for any damage caused by smoke or anything done or omitted to be done by any other tenant of premises in the Building or for any other loss whatsoever with respect to the Premises or any business carried on therein.

10.8 No Liability for Indirect Damages:

Under no circumstances shall the Landlord be liable for indirect or consequential damages or damages for personal discomfort or illness by reason of the non-performance or partial performance of any covenants of the Landlord contained in this Lease.

ARTICLE 11 - REMEDIES OF LANDLORD FOR DEFAULT

11.1 Right to Perform:

In the event that the Tenant shall fail to observe or perform any of the obligations of the Tenant under this Lease the Landlord may from time to time at its discretion, in case of emergency or on ten days' notice to the Tenant, perform or cause to be performed any of such obligations or any part thereof. For such purpose the Landlord may do such things as may be required and may enter upon the Premises to do such things. All expenses incurred and expenditures made by or on behalf of the Landlord shall be forthwith paid by the Tenant to the Landlord. If the Tenant fails to pay the same the Landlord may add the same to the Rent and recover the same by all remedies available to the Landlord for the recovery of rent in arrears. If the Landlord commences or completes, or causes to be commenced or completed, the performance of any of such covenants or obligations or any part thereof, the Landlord shall not be obligated to complete or cause to be completed such performance or be later obligated to act in like manner. In addition to the costs and expenses incurred by the Landlord, the Tenant shall pay to the Landlord an administration charge equal to fifteen percent of the expenses and disbursements made or incurred by the Landlord.

11.2 Right to Distrain:

If the Landlord is entitled to levy distress against the goods and chattels of the Tenant, the Landlord may use such force as it deems necessary for the purpose and for gaining admission to the Premises without being liable for any action in respect thereof or for any loss or damage occasioned thereby. The Tenant hereby expressly releases the Landlord from all actions, proceedings, claims or demands whatsoever for or on account of or in respect of any such forcible entry or any loss or damage sustained by the Tenant in connection therewith. The Tenant waives and renounces the benefit of any present or future statute taking away or limiting the Landlord's right of distress. Notwithstanding any such statute, none of the goods and chattels of the Tenant on the Premises at any time during the Term or any renewals shall be exempt from levy by distress for Rent in arrears. If any of the goods or chattels of the Tenant are removed from the Premises, the Landlord shall have the right to follow the goods and chattels and exert against the goods and chattels all rights which the Landlord would have had if the goods and chattels remained on the Premises.

11.3 Re-Entry on Default:

In the event of the breach, non-observance or non-performance of any covenant, agreement, stipulation, proviso, condition, rule or regulation herein contained on the part of the Tenant to be kept, performed or observed and if any such breach, non-observance or non-performance shall continue for ten days after written notice thereof to the Tenant by the Landlord, or notwithstanding the foregoing, if any payments of Rent or any part thereof, whether the same are demanded or not, are not paid when they become due or in case the Premises shall be vacated or become vacated or remain unoccupied for five days or if, without the written consent of the Landlord, the Premises shall be

used by any person other than the Tenant, the Tenant's permitted assigns or permitted sublessees or for any purpose other than that for which the same were let, or if the Tenant has at any time made any misrepresentation to the Landlord or if the Tenant breaches or is in default under any other agreement with the Landlord, then and in any such case the Landlord in addition to any other remedy now or hereafter provided may re-enter and take possession immediately of the Premises or any part thereof in the name of the whole by force if necessary without any previous notice of intention to re-enter and may remove all persons and property therefrom. The Landlord may use such force and assistance in making such removal as the Landlord may deem advisable to recover at once full and exclusive possession of the Premises. Such re-entry shall not operate as a waiver or satisfaction in full or in part of any right, claim or demand arising out of or connected with any breach, non-observance or non-performance of any covenant or agreement on the part of the Tenant to be kept, observed or performed. The Term shall, at the option of the Landlord, forthwith become forfeited and determined, but the Tenant shall remain liable under this Lease.

11.4 Bankruptcy or Execution:

If the Term or any renewal or any of the goods and chattels of the Tenant shall at any time during the Term or any renewal be seized or taken in execution or attachment by any creditor of the Tenant or if a writ of execution, sequestration or extent shall issue against the goods and chattels of the Tenant, or if any petition or other application is presented to any court of competent jurisdiction for the dissolution, liquidation or winding-up of the Tenant or for the appointment of a receiver or receiver and manager, or a receiver or receiver manager is appointed for the Tenant or any of its assets or if the Tenant shall become bankrupt or insolvent or make an assignment or proposal in bankruptcy or take the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors, or if the Tenant shall abandon or attempt to abandon the Premises, or if the Premises shall be used for any purpose other than that for which they were let without the written consent of the Landlord, or if the Tenant shall make an assignment for the benefit of creditors or shall make any sale or other disposition of all or a substantial portion of its goods and chattels that renders it incapable of carrying on business, then in every case the then current and the next ensuing three months Rent shall immediately become due and payable and the Landlord may re-enter and take possession immediately of the Premises, or any part thereof in the name of the whole, by force if necessary without any previous notice of intention to re-enter and may remove all persons and property therefrom. The Landlord may use such force and assistance in making such removal as the Landlord may deem advisable to recover at once full and exclusive possession of the Premises. Such re-entry shall not operate as a waiver or satisfaction in full or in part of any right, claim or demand arising out of or connected with any breach, non-observance or non-performance of any covenant or agreement on the part of the Tenant to be kept, observed or performed. The Term shall, at the option of the Landlord, forthwith become forfeited and determined and accelerated Rent shall be recoverable by the Landlord as if it was rent in arrears, but the Tenant shall remain liable under this Lease.

11.5 Sale and Reletting:

On the Landlord becoming entitled to re-enter upon the Premises under any of the provisions of this Lease the Landlord, in addition to all other rights, shall have the right to enter the Premises as an agent of the Tenant either by force or otherwise, without being liable for any prosecution therefor and to relet the Premises as the agent of the Tenant, and to receive the Rent therefor, and as agent of the Tenant to take possession of any goods, chattels, furniture or other property on the Premises and to sell the same at public or private sale without notice and to apply the proceeds of such sale and any rent derived from reletting the Premises, after deducting its costs of conducting such sale and its costs of reletting (including any costs necessary to repair or clean the Premises or to perform any work for the purpose of reletting), on account of the Rent owing under this Lease, and the Tenant shall be liable to the Landlord for the deficiency, if any.

11.6 Termination:

On the Landlord becoming entitled to re-enter upon the Premises under any of the provisions of this Lease, the Landlord in addition to all other rights, shall have the right to determine forthwith this Lease and the Term or any renewal by giving notice in writing addressed to the Tenant of its intention to do so, and thereupon Rent shall be computed, apportioned and paid in full to the date of such determination of this Lease, and any other payments for

which the Tenant is liable under this Lease shall be paid and the Tenant shall forthwith deliver up possession of the Premises to the Landlord and the Landlord may re-enter and take possession of the same.

11.7 Landlord's Expenses Enforcing Lease:

If it shall be necessary for the Landlord to retain the services of a solicitor or any other proper person for the purpose of assisting the Landlord in enforcing any of its rights hereunder in the event of default on the part of the Tenant, the Landlord shall be entitled to collect from the Tenant the cost of all such services, including all necessary court proceedings at trial and on appeal on a solicitor and own client basis as if the same were rent in arrears.

11.8 No Waivers:

The remedies of the Landlord under this Lease are cumulative and not alternative. The exercise or non-exercise by the Landlord of any right or remedy for the default or breach of any term, covenant, condition or agreement herein contained or the acceptance of any monies owing to the Landlord hereunder, shall not be deemed to be a waiver of or to alter, affect or prejudice such right or remedy, or any other right or remedy to which the Landlord may be lawfully entitled for the same default or breach. Any waiver by the Landlord of the strict observance, performance or compliance by the Tenant of or with any term, covenant, condition or agreement herein contained, or any indulgence granted by the Landlord to the Tenant shall not be deemed to be a waiver of any subsequent default or breach by the Landlord nor entitle the Tenant to any similar subsequent indulgence.

ARTICLE 12 - ASSIGNMENTS, TRANSFERS AND OTHER ENCUMBRANCES

12.1 Assignment or Subletting:

Except with the prior written consent of the Landlord, which may be withheld in the Landlord's absolute discretion, the Tenant shall not transfer, assign, sell or mortgage any of its estate, interest or rights under this Lease nor sublease the whole or any part of the Premises nor grant any concession, franchise or license or right of occupancy within or with respect to the Premises to any person (any transfer, assignment, sale, mortgage, sublease, grant of concession, franchise, licence or right of occupancy is herein called a "Disposition"). This prohibition shall be construed to include a prohibition against any assignments or subletting by operation of law. If the Tenant is a body corporate, the sale, transfer or other disposition of the shares or securities of the Tenant or any other corporate entity or any other event which alters the control or the direct or indirect ownership of the Tenant shall be deemed an unauthorized assignment of this Lease and the Lease shall terminate immediately. The Tenant shall not permit any business to be operated in or from the Premises by any concessionaire, franchisee, licensee or any other person without the prior written consent of the Landlord which may be withheld or granted on conditions.

12.2 Termination on Attempted or Actual Disposition:

If the Tenant effects or attempts to effect an unauthorized Disposition, then without any action on the part of the Landlord this Lease will immediately terminate and the Tenant shall surrender to the Landlord vacant possession of the Premises.

12.3 Subordination:

This Lease is and shall be subject, subordinate and postponed to all easements, easement and indemnity agreements, rights of way, covenants, restrictive covenants, equitable charges or similar charges (herein collectively called the "Development Charges") which may now or hereafter charge or affect the Lands or such leases and the parcels of leasehold land thereby demised and to all renewals, modifications, consolidations, replacements and extensions of such Development Charges, to the intent that, without execution of any document other than this Lease, such Development Charges and all renewals, modifications, consolidations, replacements and extensions thereof shall have priority over this Lease notwithstanding the respective dates of execution or registration thereof and notwithstanding the provisions of this paragraph which follow. Without limiting the generality of the foregoing, the

Tenant agrees to execute promptly any document in confirmation of such subordination, postponement and priority that the Landlord may request. The Tenant hereby irrevocably constitutes and appoints the Landlord the agent and attorney of the Tenant for the purpose of executing any such document and of making application in the name of the Tenant at any time and from time to time to register postponements of this Lease in favour of any such Development Charges or any renewal, modification, consolidation, replacement or extension of any such Development Charges in order to give effect to the foregoing provisions.

12.4 Estoppel Certificates:

The Tenant will at any time and from time to time upon no less than five business days prior notice execute and deliver to the Landlord or a prospective purchaser of the Lands or the whole or any portion of the Landlord's interest in the Lands, a statement in writing confirming the terms of this Lease, certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the modifications and that the same is in full force and effect as modified), the amount of the Rent then being paid hereunder, the dates to which Rent and other charges hereunder have been paid, that the Landlord and the Tenant have complied with all terms of this Lease (or, if not, specifying the default), that the Premises are acceptable to the Tenant, that there are no outstanding set-offs or equities disclosed or undisclosed as between the Landlord and the Tenant, the amount of the Security Deposit and any Rent prepaid by the Tenant to the Landlord, that all the Landlord's work has been completed and accepted by the Tenant, and any other matters pertaining to this Lease in respect of which the Landlord may desire certification.

The Tenant hereby irrevocably constitutes and appoints the Landlord the agent and attorney of the Tenant for the purpose of executing and delivering such certificate or certificates for and on behalf of the Tenant, but the Landlord shall indemnify the Tenant for any liability resulting from a false statement made by the Landlord in any such certificate or certificates.

12.5 Assignment by Landlord:

In the event of the sale or lease by the Landlord of the Lands or a portion thereof containing the Premises or the assignment by the Landlord of this Lease or any interest of the Landlord hereunder, and to the extent that such purchaser, the tenant under such lease or assignee has assumed the covenants and obligations of the Landlord hereunder, the Landlord shall, without further written agreement, be freed and relieved of liability for such covenants and obligations.

ARTICLE 13 - INTERPRETATION AND MISCELLANEOUS

13.1 Definitions:

In this Lease the following words shall have the following meanings:

- (a) "Building" means the building currently situate on the Lands as altered, expanded or reduced from time to time, together with such additional building as may at any time hereafter be added to the Lands;
- (b) "Expenses" shall mean and include all expenses in connection with the operation and maintenance of the Building and Lands and without restricting the generality of the foregoing shall include repairs and replacement to and maintenance of the operation of the Building, fuel and operating expenses incurred in providing hot and cold water, and in heating, ventilating and air-conditioning, elevator service, electric power and all other utilities supplied to the Premises, the costs of painting and otherwise maintaining the interior and exterior of the Building, the costs of snow removal, landscape maintenance, repaving, refuse removal, the costs of repairing and maintaining the roof of each Building, all insurance expenses and premiums paid or incurred by the Landlord for insurance against physical loss or damage to the Building, the boiler, pressure vessels, air-conditioning equipment and other equipment in the Building, public liability insurance effected by the Landlord, loss of rental income, third party liability coverage and all other forms

of insurance as the Landlord may effect from time to time in respect of the Building. Expenses shall include all goods and services taxes, social services taxes, harmonized sales taxes, value added taxes and similar taxes and charges that may be imposed or assessed in respect of any of the foregoing and any capital taxes which may in the future apply to the Building; provided however that Expenses shall not include interest on debt, capital retirement of debt or income taxes of the Landlord;

- (c) “Expenses and Taxes” shall mean the aggregate of the Expenses and the Taxes;
- (d) “Landlord” means the Landlord specified in section 1.1(2) and its successors and assigns;
- (e) “Lands” shall mean the lands described in Schedule A;
- (f) “Lease Year” shall mean a twelve month period commencing on the first day of August in any calendar year and ending on the last day of July in the following calendar year provided that the last Lease Year shall commence on the first day of August of the calendar year immediately preceding the calendar year in which the Term expires and end upon the expiry of the Term;
- (g) “Monthly Rent” means the Monthly Rent specified in section 1.1(12);
- (h) “Premises” means the premises described in Schedule A;
- (i) “Taxes” means the aggregate of all property taxes, local improvements or similar rates, duties, assessments or charges, municipal realty taxes, water taxes, school taxes, local improvement taxes, special area levies, goods and services taxes, social services taxes, harmonized sales taxes, value added taxes, and any other taxes, rates, duties, assessments both general or special and any rate, duty, assessment, charge or tax levied, charged or assessed in lieu thereof, now or at any time hereafter levied or imposed upon or in respect of the Lands or Building or any part thereof by any governmental authority whether federal, provincial, municipal or otherwise, together with all costs and expenses (including legal and other professional fees and interest and penalties on deferred payments) incurred by the Landlord in good faith contesting or appealing any such taxes, levies, rates, assessments or charges levied in lieu thereof, any expenses incurred by the Landlord in obtaining or attempting to obtain a reduction thereof;
- (j) “Tenant” means the person, firm or corporation specified in section 1.1(4) and except where the context is inconsistent therewith, also includes, if the Tenant is a firm or corporation, its successors and permitted assigns, and if the Tenant is a person, his or her heirs, executors, administrators and permitted assigns;
- (k) “Term” means the term of this Lease, which shall commence upon the date specified in section 1.1(8), and shall expire on the expiry of the period of time specified in section 1.1(7), unless sooner terminated in accordance with the provisions of this Lease.

13.2 No Representation By Landlord:

There is no promise, representation or undertaking by or binding upon the Landlord with respect to the condition or any alteration, remodelling or decorating of or installation of equipment or fixtures in the Premises or the Building except such, if any, as is expressly set forth in this Lease. In particular and without limitation, the Landlord expressly disclaims and the Tenant hereby irrevocably waives any condition, representation or warranty, statutory or otherwise, regarding the physical condition of the Building and the Lands, its fitness and suitability for the Tenant’s purposes, or the applicable zoning and other bylaws. This Lease constitutes the entire agreement between the Landlord and Tenant relating to the subject matter hereof. This Lease may be amended only by an agreement in writing signed by the Parties hereto. Neither Party is bound by any representations, warranties, promises, agreements or inducements not embodied herein, all of which, if any, are superseded by this Lease.

13.3 Notices:

Any notice, demand, request, consent or objection (herein collectively called a "Notice") required or contemplated to be given or made by any provision of this Lease shall be given or made in writing and either delivered personally or sent by registered mail, postage prepaid, addressed to the Landlord at the address specified in section 1.1(3) or to the Tenant at the address specified in section 1.1(5) or such other address in British Columbia as the Landlord or the Tenant may from time to time advise in writing in accordance with this section. A Notice shall be deemed to have been received, if delivered personally, upon delivery and if mailed, forty-eight hours after the mailing thereof in a Post Office in the Greater Vancouver area of British Columbia, provided that if mailed and there is between the time of mailing and the actual receipt of a Notice, a mail strike, slow down or other labour dispute which might affect delivery of a Notice then such Notice shall only be effective if actually delivered.

13.4 No Changes or Waivers:

No assent or consent to changes in or waiver of any of the provisions of this Lease in spirit or letter shall be deemed or taken as made unless the same be done in writing and attached to or endorsed hereon by the Secretary-Treasurer of the Landlord. Any other employee, agent or representative of the Landlord, unless specifically authorized in writing by the Landlord, is not authorized to amend this Lease and any such unauthorized alteration, amendment or qualification shall be null and void.

13.5 No Agents:

As part of the consideration for the granting of this Lease, the Tenant represents and warrants to the Landlord that no real estate broker or agent engaged by the Tenant has received or is to receive any commission, finder's fee or other consideration for negotiating or consummating this Lease.

13.6 Heading:

The headings and marginal notes in this Lease are not part of this Lease and shall be deemed to have been inserted for convenience of reference only.

13.7 Expropriation:

If the whole of the Premises shall be expropriated by an authority having the power for such expropriation then the Term and any renewal shall cease from the date of entry by such authority. If only a portion of the Building or the Lands shall be expropriated, then the Tenant may terminate this Lease, but if the Tenant elects not to terminate this Lease then notwithstanding any such partial expropriation the Rent due and payable by the Tenant shall not be reduced. In any event, however, and whether all or only a portion of the Premises shall be expropriated, nothing herein contained shall prevent the Landlord or the Tenant or both from recovering damages from such authority for the value of their respective interests or for such other damages and expenses allowed by law.

13.8 No Registration:

The Landlord shall not be obligated to deliver this Lease in a form that is registrable under the *Land Title Act* of British Columbia. The Tenant agrees not to apply for registration of this Lease, or any interest therein, in the Land Title Office.

13.9 Interpretation:

This Lease shall enure to the benefit of and be binding upon the Parties hereto, the successors and assigns of the Landlord, and the heirs, administrators, executors, successors and permitted assigns of the Tenant. Wherever the singular or masculine or neuter is used in this Lease, the same shall be deemed to include the plural or the feminine, or body politic or corporate and the respective heirs, executors, administrators, successors and assigns or permitted assigns of the Parties hereto, and each of them where the context so requires. This Lease shall be construed and

governed by the laws of the Province of British Columbia. All of the provisions of this Lease shall be construed as covenants and agreements as though the words imparting such covenants and agreements were included in each separate paragraph or article. Should any provision or provisions of this Lease be illegal or not enforceable, it or they shall be considered separate and severable from this Lease and the remaining provisions and conditions shall remain in force and be binding upon the Parties hereto as though the illegal or unenforceable provision or provisions or conditions had never been included in this Lease.

13.10 Joint and Several:

If the Tenant is comprised of two or more persons, then each of them shall be jointly and severally bound with the other or others for the due performance of the obligations of the Tenant. If the Tenant is a partnership, then all of the partners of the Tenant shall be jointly and severally liable.

13.11 No Partnership:

Nothing contained in this Lease nor any of the acts of the Parties hereto shall be deemed to create any relationship of partnership, joint venture or agency, nor any other relationship between the Parties hereto, other than the relationship of Landlord and Tenant.

13.12 Time of the Essence:

Time shall be of the essence of this Lease.

13.13 Dispute Resolution:

The Parties shall make good faith efforts to resolve any disputes arising under this Lease by agreement. Either Party may refer any dispute regarding the interpretation of this Lease to a single arbitrator appointed by agreement between the Parties. If the Parties fail to agree on an arbitrator within thirty days after one has been proposed by either Party, then the arbitrator shall be appointed by the British Columbia International Commercial Arbitration Centre (the "BCICAC"). The arbitration shall be conducted in the English language in North Vancouver, British Columbia, in accordance with the BCICAC's Domestic Commercial Arbitration Rules of Procedure. This section 13.13 shall not prevent either Party from seeking or obtaining injunctive or other equitable relief from a court of competent jurisdiction, regardless of whether an arbitration process is pending.

ARTICLE 14 - NO OPTION TO RENEW

14.1 No Option to Renew:

This Lease does not contain any option to renew.

IN WITNESS WHEREOF the Parties hereto have executed this Lease on the day and year set forth above.

DULY EXECUTED AND DELIVERED ON BEHALF)
OF THE BOARD OF EDUCATION OF SCHOOL)
DISTRICT NO. 44 (NORTH VANCOUVER))
by its authorized signatory:)
)
)
)
_____)
GEORGIA ALLISON, SECRETARY-TREASURER)

THE CORPORATE SEAL of LIONS GATE)
CHRISTIAN ACADEMY SOCIETY)
was hereunto affixed in the presence of its duly)
authorized signatory:)
)
)
)
)
)

c/s

Name: _____
Title: _____

**SCHEDULE A
PREMISES**

THE PREMISES CONSIST OF THE LANDS
HAVING THE FOLLOWING LEGAL DESCRIPTION:

PARCEL IDENTIFIER: 008-702-306
LOT 77 BLOCK W
DISTRICT LOTS 469 AND 580
PLAN 13272

AND THE BUILDING AND IMPROVEMENTS LOCATED THEREON.

ScheduleE.....
of the
Administrative Memorandum

Meeting Date: April 29, 2014 **Board** **Board, in camera**

Topic (as per the Memorandum): **Public Question and Comment Period**

Narration:

In accordance with Board Policy 104: Board of Education – Meetings; twenty (20) minutes will be provided at the end of a regular Board meeting during which attendees may provide comments or ask questions of the Board on business conducted during that meeting or on any matter pertaining to the School District. The Chair may defer a response if a question cannot be answered at that time.

In accordance with Board policy, questions relating to personnel, negotiations or litigation must not be dealt with in a public session.