

APPENDIX "H"

TABLE OF CONTENTS

ARTICLE I3
SECTION 1.00 DEFINITIONS3
ARTICLE II5
SECTION 2.00 DEMISE5
SECTION 2.01 TERM6
SECTION 2.02 PRE-TERM OCCUPANCY6
SECTION 2.03 EXAMINATION OF PREMISES6
ARTICLE III6
SECTION 3.00 MINIMUM RENT6
SECTION 3.01 OPERATING EXPENSES6
SECTION 3.02 TAXES7
SECTION 3.03 DEPOSIT8
SECTION 3.04 PAYMENTS TO LANDLORD8
SECTION 3.05 NET LEASE8
ARTICLE IV8
SECTION 4.00 QUIET ENJOYMENT8
ARTICLE V8
SECTION 5.00 PERFORM COVENANTS8
SECTION 5.01 BUSINESS TAX9
SECTION 5.02 UTILITIES9
SECTION 5.03 EVIDENCE OF PAYMENTS9
SECTION 5.04 NO NUISANCE9
SECTION 5.05 COMPLY WITH LAWS AND REGULATIONS9
SECTION 5.06 COMPLY WITH RULES10
SECTION 5.07 GOODS, CHATTELS AND FIXTURES NOT TO BE REMOVED10
SECTION 5.08 PEACEFUL SURRENDER10
SECTION 5.09 CARE OF PREMISES10
SECTION 5.10 ACCESS11
ARTICLE VI11
SECTION 6.00 USE OF PREMISES11
SECTION 6.01 NUISANCE, WASTE12
SECTION 6.02 ACTS CONFLICTING WITH INSURANCE12
SECTION 6.03 AUCTION12
SECTION 6.04 RAIL SPUR12
ARTICLE VII12
SECTION 7.00 TENANT'S REPAIRS12
SECTION 7.01 LANDLORD'S REPAIRS12
ARTICLE VIII13
SECTION 8.00 ALTERATIONS13
SECTION 8.01 LANDLORD'S RIGHT TO DO WORK14
SECTION 8.02 REMOVAL OF FIXTURES14
SECTION 8.03 SIGNS15
ARTICLE IX15
SECTION 9.00 DAMAGE OR DESTRUCTION OF PREMISES15
SECTION 9.01 NOTICE OF ACCIDENTS, DEFECTS OR DAMAGES16
SECTION 9.02 DAMAGE TO BUILDING BY TENANT16
ARTICLE X16
SECTION 10.00 ASSIGNING OR SUBLETTING16
ARTICLE XI18
SECTION 11.00 TENANT'S INSURANCE18
SECTION 11.01 INDEMNITY TO LANDLORD19
ARTICLE XII20
SECTION 12.00 RE-ENTRY20
SECTION 12.01 INSOLVENCY20
SECTION 12.02 LANDLORD MAY PERFORM TENANT'S COVENANTS21
SECTION 12.03 FOLLOW CHATTELS21
SECTION 12.04 WAIVER OF EXEMPTIONS21
SECTION 12.05 OVERLOOKING AND CONDONING21
SECTION 12.06 FORCIBLE RE-ENTRY21

ASOM

SECTION 12.07	REMEDIES GENERALLY	21
ARTICLE XIII.....		22
SECTION 13.00	LANDLORD NOT RESPONSIBLE FOR INJURIES, LOSS OR DAMAGE	22
SECTION 13.01	NO LIABILITY FOR INDIRECT DAMAGES.....	22
SECTION 13.02	UNAVOIDABLE FAILURE OR DELAYS BY LANDLORD	22
ARTICLE XIV.....		22
SECTION 14.00	SALE OF PREMISES.....	22
SECTION 14.01	EXHIBITING PREMISES.....	23
SECTION 14.02	OVERHOLDING.....	23
SECTION 14.03	CALCULATIONS	23
SECTION 14.04	SUBORDINATION.....	23
SECTION 14.05	CERTIFICATE OF STATUS	23
SECTION 14.06	LEASE ENTIRE RELATIONSHIP	23
SECTION 14.07	NOTICES.....	24
SECTION 14.08	ACCORD AND SATISFACTION	24
SECTION 14.09	GOVERNING.....	24
SECTION 14.10	FRUSTRATION	24
SECTION 14.11	TIME OF ESSENCE.....	25
SECTION 14.12	REGISTRATION.....	25
SECTION 14.13	CAPTIONS	25
SECTION 14.14	BINDING EFFECT	25
SECTION 14.15	CONFIDENTIALITY	25
ARTICLE XV SPECIAL CONDITIONS.....		25
SECTION 15.00	SUBSTITUTION.....	25
SECTION 15.01	LANDLORD'S PLANS.....	25
SECTION 15.02	SECURITY FOR REPAIRS OR RENOVATIONS.....	26
SECTION 15.03	PREMISES TAKEN "AS IS"	26
SECTION 15.04	SIGNAGE	26
SECTION 15.05	DEFAULT BY TENANT	ERROR! BOOKMARK NOT DEFINED.
ARTICLE XVI ADDITIONAL PROVISIONS.....		22
SECTION 16.01	OPTION TO EXTEND.....	22
SECTION 16.02	LEASEHOLD IMPROVEMENT ALLOWANCE	23
SECTION 16.03	EXISTING LEASE.....	26

- SCHEDULE "A" LANDS
- SCHEDULE "B" PREMISES
- SCHEDULE "C" RULES AND REGULATIONS
- SCHEDULE "D" LANDLORD'S WORK
- SCHEDULE "G" ACKNOWLEDGEMENT OF COMMENCEMENT DATE

[Handwritten initials]

THIS INDENTURE made as of the 30th day of January, 2003.

BETWEEN:

SUN LIFE ASSURANCE COMPANY OF CANADA, a body
Corporate incorporated under the laws of Canada having its head
office in the Municipality of Metropolitan Toronto, Ontario,

(hereinafter called the "Landlord")

OF THE FIRST PART

-and-

**OTTAWA CITIZEN GROUP INC. (THE FLYER FORCE
DIVISION)**

(hereinafter called the "Tenant")

OF THE SECOND PART

ARTICLE I

SECTION 1.00 DEFINITIONS

1. In this Lease the following terms have the following meanings:

- a) "**Building**" means the building or buildings now or hereafter erected on the Lands known municipally as 1230 Old Innes Road, Ottawa, Ontario K1B 3V3;
- b) "**Commencement Date**" means the 1st day of September, 2003;
- c) "**Deposit**" (*not applicable*);
- d) "**Lands**" means all and singular those certain lands described in Schedule "A" attached hereto;
- e) "**Landlord's Address**" means

i) for payment of rent as referred to in Article III:

Sun Life Financial Services of Canada
50 O'Connor Street, Suite 215
Ottawa, Ontario, K1P 6L2;

ii) for service as referred to in Section 14.07:

Sun Life Financial Services of Canada
50 O'Connor Street, Suite 215
Ottawa, Ontario, K1P 6L2;

Attention: Property Manager

Telephone: 613-560-7888
Fax: 613-560-7739

or such other address as the Landlord may advise the Tenant from time to time;

- f) "**Lease**" means this Indenture and all Schedules attached hereto.

RGM *[Signature]*

- g) **"Lease Year"** means each consecutive twelve (12) calendar month period during the Term commencing on the first day of January provided that the first Lease Year shall commence on the Commencement Date and end on the day immediately preceding the commencement of the next following Lease Year and the last Lease Year shall expire on the expiry or sooner termination of the Term provided that the Landlord may from time to time, by notice to the Tenant, specify an annual date from which each subsequent Lease Year for the purposes of any of the articles, sections or other provisions of this Lease is to commence, and, the then current Lease Year for that purpose or purposes, will terminate on the date immediately preceding the commencement of that new Lease Year;
- h) **"Minimum Rent"** means, for that portion of the Term commencing September 1, 2003 and ending August 31, 2008, the annual sum of **one hundred twenty-seven thousand, four hundred eighty-two dollars (\$127,482.00)** payable in advance in equal, consecutive monthly instalments of **ten thousand, six hundred twenty-three dollars and fifty cents (\$10,623.50)**; and, for that portion of the Term commencing September 1, 2008 and ending August 31, 2013, the annual sum of **one hundred forty-three thousand, four hundred seventeen dollars and twenty-five cents (\$143,417.25)** payable in advance in equal, consecutive monthly instalments of **eleven thousand, nine hundred fifty-one dollars and forty-four cents (\$11,951.44)**.

The above Minimum Rent is based on **six dollars (\$6.00)** per square foot of the Floor Area of the Premises per annum for that portion of the Term commencing September 1, 2003 and ending August 31, 2008, and **six dollars and seventy-five cents (\$6.75)** per square foot of the Floor Area of the Premises per annum for that portion of the Term commencing September 1, 2008 and ending August 31, 2013, the Floor Area being the useable floor area of the Premises of approximately **twenty-one thousand, two hundred forty-seven (21,247)** square feet.

- i) **"Operating Expenses"** means, without duplication, the total of all costs and expenses incurred by or on behalf of the Landlord in respect of or in connection with the operating, managing, maintaining, insuring and repairing (including structural repairs not the responsibility of the Landlord herein) of the Building, the Lands and the improvements thereon, including any loading dock and spur track, such as are in keeping with maintaining the standard of a first class industrial complex including without limitation, cost of all repairs and replacements (including, at the Landlord's option, the amortization of such costs, on a basis consistent with generally accepted accounting principles), the costs of painting interior areas not normally rented to tenants and the costs of painting and otherwise maintaining the outside of the Building, other than those parts for which the Tenant is responsible, the costs of maintaining, repairing and replacing the roadways, driveways, loading and parking areas, the cost of snow removal, landscape maintenance, refuse removal and other costs in connection with the repair, replacement and maintenance of outside areas and facilities, sprinkler protection, depreciation and notional interest costs (equal to the Stipulated Rate determined at the time of acquisition) with respect to machinery, equipment, facilities, systems or property installed in or used in connection with the Building if the principal purpose or intent of such use or installation was to reduce the cost of other items included in Operating Expenses, the cost of fire, casualty, liability, rental, boiler, extended perils and plate glass insurance and all such other insurance against casualties, perils and losses as the Landlord may elect to insure against from time to time (and, if the Landlord elects to self-insure, in whole or in part, the amount of reasonable contingency reserves not exceeding the amount of premiums which would otherwise have been incurred in respect of the risks undertaken), security protection, the cost of service contracts with independent contractors, spur track rental, all electricity, gas, water (hot and cold), sewer and other utility charges incurred by the Landlord, cost of heating, cooling and ventilating all space including both rentable and non-rentable areas, the amount of all salaries, wages and fringe benefits paid to employees engaged in the maintenance or operation of the Building or the Lands, and all other expenses paid or payable by the Landlord in connection with the operation of the Building,

Sign

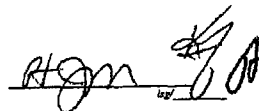
improvements and the Lands (but shall not include Taxes, interest on debt or capital retirement of debt or any amounts directly chargeable by the Landlord to any tenant or tenants as provided in their respective leases) and an allowance of fifteen percent (15%) of the aggregate of (i) the aforesaid amounts, and (ii) Taxes, for building management and overhead expenses of the Landlord;

- j) **"Permitted Use"** means offices, warehousing and distribution facility.
- k) **"Premises"** means that portion of the Building as shown cross-hatched and described in Schedule "B" attached hereto and Premises shall be deemed to include all facilities, structures, improvements, erections, additions, alterations and equipment therein from time to time but shall exclude the exterior, sub-floors, foundation and roof of the Building; the Premises are municipally known as 1230 Old Innes Road, Units 405, 406, 407 and 408;
- l) **"Proportionate Share"** means the fraction which has as its numerator the floor area of the Premises and as its denominator the rentable floor area of the Building;
- m) **"Rent"** means all Minimum Rent, additional rent and all other monies payable by the Tenant under or pursuant to this Lease. The Minimum Rent and the proportionate share of operating expenses and municipal property taxes shall not commence until the 1st day of September 2003, notwithstanding any provision to the contrary in this Lease;
- n) **"Stipulated Rate"** means the annual rate equal to three percentage (3%) points over the annual rate of interest charged and published from time to time by the main branch of the Landlord's bank in the City in which the Lands are situate, as its most favourable rate of interest to its most creditworthy and substantial commercial customers on large loans, commonly known as its prime rate;
- o) **"Taxes"** means an amount equivalent to all taxes, rates, duties, levies and assessments whatsoever whether municipal, provincial, parliamentary, school or otherwise, charged, levied, imposed or assessed against or upon or in respect of the Building, the Lands or any improvements now or hereafter erected thereon or any part thereof or any one or more thereof or upon the Landlord on account thereof including all taxes, rates, duties, levies and assessments for education and local improvements (excluding any tax assessed separately or charged directly to the Tenant which has been attracted by the Tenant's improvements and equipment and excluding any corporate, income, profits and excess profits taxes assessed upon the income of the Landlord) and shall also include any and all taxes which may in future be levied in lieu of or, in addition to, Taxes as hereinbefore defined whether in existence at the Commencement Date or not. Any costs and expenses (including legal costs on a solicitor and his own client basis) incurred by the Landlord in contesting, resisting or appealing the Taxes or any part thereof shall be added to and included in the amount of such Taxes. Taxes shall be deemed to include an amount equal to all taxes, levies and impositions paid or payable by the Landlord which are based upon or computed by reference to the Landlord's interests, ownership of, or capital employed in the Lands or Building, or both, determined as if the Lands and Building were the only real property owned by the Landlord;
- p) **"Term"** means ten (10) years, computed from the Commencement Date and, unless extended or sooner terminated pursuant to the provisions of this Lease, ends on August 31, 2013.

ARTICLE II

SECTION 2.00 DEMISE

In consideration of the rents, covenants, conditions and agreements herein reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord hereby demises and leases unto the Tenant the Premises.



SECTION 2.01 TERM

TO HAVE AND TO HOLD the Premises for and during the Term commencing on the Commencement Date.

SECTION 2.02 PRE-TERM OCCUPANCY

The Tenant shall have the right to take possession and occupy the Premises as of May 15, 2003, the whole free of Minimum Rent and Additional Rent for the said pre-Term occupancy. All other terms and conditions of this Lease shall apply during the said pre-Term occupancy.

SECTION 2.03 EXAMINATION OF PREMISES

The Tenant will examine the Premises and the Building before taking possession of the Premises and such taking of possession will be, in the absence of an agreement signed by the Landlord 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, ready for occupancy and in satisfactory condition and no further work or improvements are required to be made or done and that there exists no promise of the Landlord to alter, remodel, decorate or improve the Premises or the Building and no warranty or representation whatsoever respecting the Premises or the Building has been made by the Landlord or its agents or employees other than those expressly contained herein.

ARTICLE III

SECTION 3.00 MINIMUM RENT

- a) YIELDING AND PAYING therefor yearly and every year during the Term unto the Landlord, the Minimum Rent to be paid in advance in equal consecutive monthly instalments on the first day of each and every month during the Term commencing on the Commencement Date.
- b) If the Term commences on any day other than the first or ends on any day other than the last day of a calendar month, rent for the fractions of a month at the commencement and at the end of the Term shall be adjusted pro rate on a per diem basis based on a period of three hundred and sixty-five (365) days and payable on the Commencement Date and the first day of the last month of the Term, respectively.
- c) The Tenant's Head Office will make monthly payments to the Landlord for the beginning of each month.

SECTION 3.01 OPERATING EXPENSES

- a) The Tenant covenants and agrees to pay to the Landlord, during each Lease Year, as additional rent, in advance, in equal consecutive monthly instalments and payable on the dates the monthly instalment of Minimum Rent is payable, the Proportionate Share of Operating Expenses.
- b) The amount of such Proportionate Share of Operating Expenses may be estimated by the Landlord for each Lease Year and the Landlord shall furnish to the Tenant an estimate of such Proportionate Share of Operating Expenses and the Tenant shall pay to the Landlord such estimated Proportionate Share of Operating Expenses in monthly instalments in advance as aforesaid during such Lease Year. The Landlord may, if during the course of any such Lease Year there shall be any increase or decrease in the Landlord's estimate of such Proportionate Share of Operating Expenses for such Lease Year, adjust its estimate and upon the Tenant being notified of such adjustment the Tenant's monthly instalments of such estimated Proportionate Share of Operating Expenses from and including the instalment next due after the giving of notice of adjustment shall be adjusted in accordance with the Landlord's notice.

- c) When the Operating Expenses for such Lease Year are finally determined by the Landlord, the Landlord shall furnish the Tenant with a statement showing the actual amount of the Operating Expenses for such Lease Year and the Landlord and Tenant covenant and agree each with the other that if an overpayment of such Operating Expenses has been made by the Tenant the Landlord shall credit such amount to such Operating Expenses for the next following Lease Year and if there is no such next following Lease Year such amount shall be paid to the Tenant and if an amount remains owing to the Landlord in respect of such Operating Expenses the Tenant shall forthwith pay such amount to the Landlord.
- d) Neither party may claim a readjustment of a Proportionate Share of Operating Expenses based upon an error of estimation, determination or calculation of the Proportionate Share or of the Operating Expenses unless claimed in writing before one year after the end of the Lease Year to which the claim relates.

SECTION 3.02 TAXES

- a) The Tenant covenants and agrees to pay to the Landlord during the Term, as additional rent, in advance, in equal consecutive monthly instalments and payable on the dates the monthly instalments of the Minimum Rent are payable, a certain share of the Taxes determined as follows:
 - i) the Tenant will pay the amount determined when the appropriate mill rate for Taxes is applied to the Assessment for the Premises; "Assessment" in this subsection 3.02 means the assessed value upon which business assessments are calculated, or would be calculated if a business were being conducted in the Premises in respect of which the assessed value is determined;
 - ii) the Tenant will also pay its Proportionate Share of any amounts determined by applying the appropriate mill rate for Taxes against any separate Assessments for the non-rentable areas of the Lands and Building or any part thereof, and
 - iii) if there is not or if there ceases to be a separate Assessment for the Premises or if there ceases to be a separate Assessment for any part of the Lands or Building, for which there was one previously during the Term, or, otherwise if the Landlord so elects, the Tenant will pay its Proportionate Share of Taxes.
- b) The amount of such share of Taxes may be estimated by the Landlord for each Lease Year and the Landlord shall furnish to the Tenant an estimate of such share of Taxes and the Tenant shall pay to the Landlord such estimated share of Taxes in monthly instalments in advance as aforesaid during such Lease Year. The Landlord may, if during the course of any such Lease Year there shall be any increase or decrease in the Landlord's estimate of such share of Taxes for such Lease Year, adjust its estimate and, upon the Tenant being notified of such adjustment, the Tenant's monthly instalments of such estimated share of Taxes from and including the instalment next due after the giving of notice of adjustment shall be adjusted in accordance with the Landlord's notice.
- c) When the Taxes for such Lease Year are finally determined by the Landlord, the Landlord shall furnish the Tenant with a statement showing the actual amount of the Taxes for such Lease Year and the Landlord and Tenant covenant and agree each with the other that if an overpayment of such Taxes has been made by the Tenant the Landlord shall credit such amount to such Taxes for the next following Lease Year and if there is no such next following Lease Year such amount shall be paid to the Tenant and if an amount remains owing to the Landlord in respect of such Taxes the Tenant shall forthwith pay such amount to the Landlord.

[Handwritten signature]

- d) The Tenant covenants and agrees to reimburse the Landlord throughout the Term and at the times and in the manner specified by the Landlord from time to time, the full amount of any tax, sales tax, goods and services tax, value added tax, multi-stage sales tax, business transfer tax or any other similar tax levied, rated, charged, imposed or assessed in respect of the rent, additional rent or any other amounts payable pursuant to this Lease or in respect of the space demised under this Lease.

SECTION 3.03 DEPOSIT

(This Section has been intentionally deleted.)

SECTION 3.04 PAYMENTS TO LANDLORD

- a) All payments required to be made by the Tenant under or in respect of this Lease shall be made in lawful money of Canada without any set-off, abatement, demand, compensation or deduction whatsoever to the Landlord at the Landlord's Address for payment of rent or to such agent or agents of the Landlord as the Landlord shall from time to time direct in writing to the Tenant. The Tenant shall pay to the Landlord, as additional rent, interest at the Stipulated Rate on all payments of rent which have become overdue so long as such payments remain unpaid.
- b) All sums of money payable to or incurred by the Landlord, which ought to have been paid or incurred by the Tenant, or for which the Landlord hereunder is entitled to be paid or to be reimbursed by the Tenant may be recovered by the Landlord together with costs (including legal fees on a solicitor and his own client basis and all fees and costs related to recovery or collection of such sums) and interest at the Stipulated Rate, as rent, by any and all remedies available to it for the recovery of rent in arrears.

SECTION 3.05 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 expressly herein set out, that the Landlord shall not be responsible during the Term for any costs, charges, impositions, taxes, expenses or outlays of any nature whatsoever arising from or relating to the Premises, or the use and occupancy thereof or the contents thereof, or the business carried on therein, and the Tenant shall pay all charges, impositions, taxes, costs and expenses of every nature and kind relating to the Premises and its Proportionate Share of all charges, impositions, costs and expenses of every nature and kind relating to those parts of the Building not intended for leasing.

ARTICLE IV

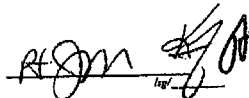
SECTION 4.00 QUIET ENJOYMENT

The Landlord covenants that the Tenant upon duly and regularly paying the rent and performing and observing the covenants and agreements herein on the Tenant's part contained, shall and may peaceably possess and enjoy the Premises for the Term without any interruption or disturbance from the Landlord or any other person lawfully claiming by, from or under the Landlord subject, nevertheless, to the terms, covenants, agreements and conditions of this Lease.

ARTICLE V

SECTION 5.00 PERFORM COVENANTS

The Tenant shall pay the rent at the times and in the manner herein provided and shall observe and perform all the covenants, agreements and conditions on its part to be observed and performed in accordance with this Lease.



SECTION 5.01 BUSINESS TAX

The Tenant shall pay, as additional rent, to the lawful taxing authority, when due, all business taxes and all other taxes, rates, levies, licence fees and charges levied or assessed in respect of the use or occupancy of the Premises or the equipment, machinery, or fixtures brought therein or belonging to the Tenant, or to anyone occupying the Premises with the Tenant's consent, and to pay to the Landlord upon demand the portion of any tax, rate, duty, fee, levy or charge levied or assessed upon the Lands and the Building or any part thereof that is attributable to any Tenant's improvements or fixtures on the Premises constructed by or on behalf of or belonging to the Tenant, including penalties for late payment thereof. The Tenant shall not appeal any assessment of any of the foregoing without the consent of the Landlord, which consent shall not be unreasonably withheld, and which, if given, shall be deemed to be on the express understanding that the Tenant will at the same time, appeal, as agent for the Landlord, the assessment of the Landlord's interest in the Premises and the Tenant shall indemnify the Landlord against any costs suffered, incurred or imposed on the Landlord and not recoverable from other tenants by reason of such appeal.

SECTION 5.02 UTILITIES

The Tenant shall pay promptly to the Landlord, or as it otherwise directs from time to time, when due, as additional rent, all rates, levies and charges (including installation charges) for water, gas, sewer and electric light and electrical power, telephone or other utilities supplied to or used in the Premises as separately metered or separately invoiced by the supplier and, if not so metered or invoiced, the Proportionate Share of such rates, levies and charges provided however if the Tenant is an excessive user (in the Landlord's opinion acting reasonably) of any such utilities the Tenant shall be charged accordingly as the Landlord shall determine acting reasonably and the Tenant shall pay all costs of making such determination including, without limitation, the cost of the purchase and installation of a meter or other special equipment.

SECTION 5.03 EVIDENCE OF PAYMENTS

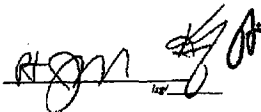
The Tenant shall produce to the Landlord from time to time at the request of the Landlord satisfactory evidence of the due payment by the Tenant of all payments required to be made by the Tenant under this Lease.

SECTION 5.04 NO NUISANCE

The Tenant shall not at any time during the Term, use, exercise or carry on or permit or suffer to be used, exercised or carried on, in, about or upon the Premises or any part thereof any waste or any noxious, noisome or offensive act, trade, business, occupation or calling, and no act, matter or thing whatsoever shall at any time during the Term be done in, about or upon the Premises or any part thereof which shall or may be or grow to the annoyance, nuisance, damage or disturbance of the occupiers, tenants or owners of the Building or adjoining land and properties.

SECTION 5.05 COMPLY WITH LAWS AND REGULATIONS

The Tenant shall comply promptly at its expense with all laws, ordinances, regulations, requirements and recommendations, which may be applicable to the Tenant or to the use, operation or occupation of the Premises or the making by the Tenant of any repairs, alterations, changes or improvements therein, of any and all federal, provincial, civic, municipal and other authorities or association of insurance underwriters (including, without limitation, the rules and regulations of the Canadian Board of Fire Underwriters and the Insurer's Advisory Organization and any successor bodies) or agents and all notices in pursuance of same and whether served upon the Landlord or the Tenant.

Handwritten initials and signatures in black ink, including what appears to be 'HGM' and another signature.

SECTION 5.06 COMPLY WITH RULES

The Tenant agrees that the rules and regulations endorsed on this Lease or attached hereto as Schedule "C" with such reasonable variations, modifications, amendments and additions as shall from time to time be made by the Landlord and any other and further reasonable rules and regulations that may be made by the Landlord and communicated to the Tenant in writing shall be observed and performed by the Tenant and its agents, invitees, clerks, servants and employees and all such rules and regulations now in force or hereafter put in force shall be read as forming part of the terms and conditions of this Lease as if the same were embodied herein; all such rules and regulations shall be deemed to be a part of this Lease.

SECTION 5.07 GOODS, CHATTELS AND FIXTURES NOT TO BE REMOVED

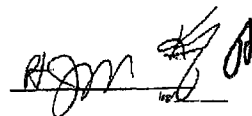
The Tenant agrees that all goods, chattels, equipment and trade fixtures when moved into the Premises shall not, except in the normal course of business, be removed from the Premises until all rent due or to become due during the Term is paid in full.

SECTION 5.08 PEACEFUL SURRENDER

- a) The Tenant shall, at the expiration or sooner termination of the Term, peaceably surrender and yield up unto the Landlord the Premises, together with all fixtures and improvements which at any time during the Term shall be made therein or thereon, in as good condition and repair as the Tenant is required to maintain the Premises throughout the Term and the Tenant shall deliver to the Landlord all keys to the Premises which the Tenant has in its possession and inform the Landlord of all combinations of locks, safes and vaults.
- b) Without limiting the foregoing the Tenant shall immediately before the expiration or sooner termination of the Lease strip, seal and wax all tile flooring, strip and seal all concrete flooring, steam clean or shampoo all carpeted flooring, wash all glass, doors, woodwork, light fixtures and washrooms, fill all holes and repaint all painted wall surfaces of the Premises to the reasonable specifications and satisfaction of the Landlord, acting reasonably. The Tenant further covenants that the Tenant will not upon such expiration or sooner termination leave in, on, about or upon the Premises or Lands any Environmental Hazards (as hereinafter defined) or any rubbish or waste material and will leave the Premises in a clean and tidy condition.

SECTION 5.09 CARE OF PREMISES

- a) The Tenant shall take good care of the Premises and keep same in a tidy, clean and good condition.
- b) The Tenant shall, at its own expense, be responsible for and shall maintain and replace from time to time as may reasonably be necessary during the Term all light fixtures, light bulbs, fluorescent tubes, ballasts and starters in the Premises. The Landlord shall have the right to attend to such maintenance and replacements at the Tenant's expense which shall be payable as additional rent by the Tenant forthwith on demand.
- c) 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.
- d) The Tenant shall properly heat the Premises, at its own expense, during the Term hereof at all times to the extent necessary to prevent damage thereto by frost or other causes.



- e) The Tenant shall maintain (including, without limitation, the performance of regular and periodic servicing, maintenance and inspections as a prudent owner would) in good operating condition and to the satisfaction of the Landlord, acting reasonably, all pipes, wiring and electrical apparatus and all plumbing fixtures and heating, ventilating and air conditioning equipment and all other mechanical systems and electrical systems in or about the Premises and shall keep the same in clean and good working order and repair. It is understood and agreed that in case the said fixtures, systems and equipment or any part thereof shall be damaged or destroyed or become incapable of performing their function the Tenant shall forthwith repair or replace (as the Landlord may require) the same to the satisfaction of the Landlord, acting reasonably. The Landlord shall have the right to service, maintain or inspect, or any one or more of them, the said fixtures, systems and equipment or cause same to be maintained or inspected, or both, at the Tenant's expense, the costs of which shall be payable as additional rent by the Tenant forthwith on demand together with an administrative fee equal to fifteen (15%) percent of all such costs.
- f) The Tenant shall keep well painted the painted portions of the interior of the Premises.
- g) The Tenant shall keep and maintain the washrooms in a sanitary condition.
- h) The Tenant shall not do or suffer or permit any Environmental Hazards to exist on, in or about the Premises or any waste or damage, disfiguration or injury to the Premises or the fixtures and equipment thereof or permit or suffer any overloading of any floors thereof and shall not place in, on or about the Premises any fixtures, equipment, machinery, or materials of a weight beyond the capacity for which the Building is designed, or to the extent that will cause damage to the Building or cause excessive vibration; and that the Tenant will repair any damage done to the Premises or the Building by reason of any excessive weight placed in the Premises, or excessive vibration caused in the Premises.
- i) The Tenant shall not use water for any purpose other than sanitary or drinking without the prior written consent of the Landlord.

SECTION 5.10 ACCESS

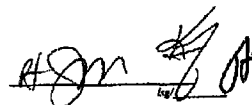
- a) The Tenant shall not permit any vehicles belonging to the Tenant, its employees, contractors or agents to cause obstruction on any roads, driveways or parking areas about the Building, or prevent the ingress and egress by any other tenant in the Building or any adjoining buildings, and will use its best endeavours to ensure that persons doing business with the Tenant shall not permit any vehicles to cause such obstruction as aforesaid.
- b) The Tenant shall not stack any materials in the yard or yards of the Building, adjacent driveways, or common areas and shall cause no obstruction to vehicles operating on the roads, driveways or parking areas.

ARTICLE VI

The Tenant covenants with the Landlord that:

SECTION 6.00 USE OF PREMISES

The Premises shall not be used for any other purpose than the Permitted Use and then subject to the other provisions of this Lease. Notwithstanding the Permitted Use, the Premises shall not be used in any way which may impair the efficient or proper operation of the sprinkler system or any mechanical, plumbing or electrical systems or heating, ventilating or air conditioning equipment within or about the Building.



SECTION 6.01 NUISANCE, WASTE

The Tenant shall not cause or suffer or permit the manufacturing, transportation, storage, discharge or disposal of any contaminant or waste, flammable, explosive, radioactive corrosive or poisonous material or substance, urea formaldehyde foam insulation, asbestos, PCBs or pollution or other environmentally hazardous, dangerous or noxious substances or materials including those declared or determined by the standards established by relevant governmental statutes, by-laws or regulations to be hazardous or toxic (collectively called "Environmental Hazards") in, on or from the Premises.

SECTION 6.02 ACTS CONFLICTING WITH INSURANCE

In the event that any policy or policies of insurance, including any regulations of fire insurance underwriters applicable to such policy or policies, whereby the Premises or the Building or the contents of the premises of any tenant in the Building are insured is or are cancelled or are threatened to be cancelled by reason of any act or omission of the Tenant, the Landlord shall have the right, at its option, to terminate this Lease forthwith by giving notice of termination to the Tenant, and 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 Permitted Use, the Tenant shall pay to the Landlord the amount by which said premium shall be so increased.

SECTION 6.03 AUCTION

The Tenant shall not at any time during the Term permit any sale by auction to be held within the Premises or upon the Lands or any part thereof.

SECTION 6.04 RAIL SPUR

(This section has been intentionally deleted)

ARTICLE VII

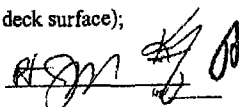
SECTION 7.00 TENANT'S REPAIRS

- a) The Tenant shall at all times during the Term repair, maintain, decorate, operate, amend and keep the Premises, with the appurtenances thereto and all equipment and fixtures therein, as a prudent owner would, when, where and so often as the need shall be, provided that reasonable wear and tear, structural repair for which the Landlord is responsible pursuant to Section 7.01 hereof and damage by fire not due to the negligence or wilful act or omission of the Tenant or those for whom the Tenant is legally responsible, and lightning and tempest and earthquake (hereinafter collectively referred to as "Tenant Repair Exceptions") only excepted and the Tenant will, upon notice in writing, reimburse the Landlord as additional rent for the costs, plus interest at the Stipulated Rate until repaid together with an administration fee equal to fifteen (15%) percent of the aggregate of the foregoing costs, of repairing or restoring any damage (Tenant Repair Exceptions excepted) caused by the negligence or wilful acts or omissions of the Tenant or those for whom the Tenant is legally responsible, to the Building or the Lands.
- b) The Landlord and its agents shall have the right at all reasonable times during the Term, to enter the Premises to examine the condition thereof, and further, that all want of reparation that upon such a view shall be found, and for the amendment of which notice is given, the Tenant shall well and sufficiently repair and make good accordingly within fifteen (15) days from the date of such notice.

SECTION 7.01 LANDLORD'S REPAIRS

Subject to Article IX, the Landlord shall be responsible only for structural repairs necessarily required to correct inherent defects in design or construction of the following components of the Building:

- a) the roof deck (excluding the protective system above the deck surface);



- b) the bearing walls (excluding perimeter caulking of walls, doors and windows, tuckpointing of bricks and blocks, parging repairs and waterproofing of exterior wall surfaces), and
- c) the floor and foundation,

save and except damage caused by the negligence or wilful acts or omissions of the Tenant, its employees, invitees, licensees, agents, servants or other persons from time to time on or about the Premises, the Building or the Lands with the express consent, approval or invitation of the Tenant or its subtenant.

ARTICLE VIII

SECTION 8.00 ALTERATIONS

- a) The Tenant shall not without the prior written consent of the Landlord, which consent shall not be unreasonably withheld, make any installations, additions, partitions, alterations or improvements to the Premises. The Tenant shall submit to the Landlord detailed plans and specifications of any such work or installation when applying for consent, and the Landlord reserves the right to recover from the Tenant the cost of having its architects or engineers examine such plans and specifications which costs shall be paid by the Tenant, as additional rent, forthwith on demand. The Landlord may require that any or all work to be done, or materials to be supplied hereunder be done or supplied by the Landlord's contractors or workmen or by contractors or workmen engaged by the Tenant but first approved by the Landlord. Any work performed by the Tenant shall be performed by competent workmen whose labour union affiliation is not incompatible with those of any workmen who may be employed in the Building by the Landlord, its contractors or subcontractors. In any event, any or all work to be done or materials to be supplied hereunder 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 other connection or apparatus to the plumbing lines shall be deemed to be an alteration within the meaning of this Lease.
- b) The Tenant covenants with the Landlord that the Tenant shall promptly pay or cause to be paid all charges incurred by or on behalf of the Tenant or any subtenant of the Premises or any part thereof, for any work, materials or services that may be done, supplied or performed in respect of the Premises and shall forthwith discharge any liens in respect of same at any time filed against the Lands or Building or any part thereof and keep the Lands and Building free from liens and 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, or subtenant, and any amount so paid together with all disbursements and costs in respect of such proceedings on a solicitor and his own client basis and interest at the Stipulated Rate on all such monies from the date of payment by the Landlord to the date of reimbursement by the Tenant together with an administrative fee of fifteen (15%) percent of the aggregate of all of the foregoing sums, 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 construction, mechanic's or builder's lien legislation or other legislation.
- c) This Section has been intentionally deleted.
- d) The Tenant shall not without prior written consent of the Landlord put up any window drapes, blinds, awnings or other similar things or cover the floors with anything other than loose rugs.

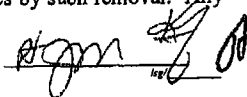
- e) In making any installations, additions, partitions, alterations or improvements, the Tenant will not alter or interfere with any installations which may have been made by the Landlord and in no event whatsoever shall the Tenant alter or interfere with or affect the structural elements or the strength or outside appearance of the Building.

SECTION 8.01 LANDLORD'S RIGHT TO DO WORK

- a) The Tenant covenants and agrees with the Landlord that the Landlord has retained and reserved the sole and exclusive right to use or to lease to others for their own use the roof or exterior walls of the Building and to construct upon the Lands any other building or buildings or structures as the Landlord may wish.
- b) The Landlord shall have the right to make additions (including free standing structures separate and apart from any existing building on the Lands) to and improvements or installations in and repairs to the Building and the outside areas of the Lands or either one or more of them and whenever reference is made in this Lease to the Building, it shall mean the building or buildings as the same may be changed, added to or improved from time to time and in relation to any such additions, improvements, installations, or repairs the Landlord may cause such reasonable obstructions of and interference with the use or enjoyment of the Building or the Premises or both as may be reasonably necessary for the purposes aforesaid and may interrupt or suspend the supply of electricity, gas, water or other services when necessary and until said additions, improvements, installations or repairs shall have been completed and there shall be no abatement in rent nor shall the Landlord be liable by reason thereof provided that all such additions, improvements, installations or repairs shall be made as expeditiously as reasonably possible.
- c) The Landlord and any persons authorized by the Landlord shall have the right to use, install, maintain or repair or any one or more of them, 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 include without limiting the generality of the foregoing, electricity, water, gas, sanitation, telephone, heating, air-conditioning and ventilation.
- d) The Landlord and any persons authorized by the Landlord shall have the right to enter upon the Premises to make such decorations, repairs, alterations, improvements or additions as it may deem advisable and the Landlord or any persons authorized by the Landlord shall be allowed to take all material into and upon the Premises that may be required therefor. The rent shall in no way abate while such decorations, repairs, alterations, improvements or additions are being made by reason of loss or interruption of the business of the Tenant because of the prosecution of any such work provided that all such decorations, repairs, alterations, improvements or additions shall be made as expeditiously as reasonably possible.

SECTION 8.02 REMOVAL OF FIXTURES

Subject to Section 5.07 hereof, the Tenant may at or prior to the expiration of the Term hereby granted, take, remove and carry away from the Premises any of its fixtures, fittings, shelving, counters or other articles upon the Premises in the nature of trade or tenants' fixtures, but the Tenant shall in such removal do no damage to the Premises, or shall make good any damage which the Tenant may occasion thereof; provided further that the Tenant shall not remove or carry away from the Premises any building or any plumbing, heating, air-conditioning or ventilating plant or equipment or other Building services; and further notwithstanding anything contained in this Lease, the Landlord shall have the right to require the Tenant upon the termination of this Lease by effluxion of time or otherwise to remove any installations, alterations, additions, partitions and fixtures or anything in the nature of leasehold improvements made or installed by or on behalf of the Tenant or any subtenant or occupant of the Premises, or by the Landlord on behalf of the Tenant or by any previous tenant or occupant of the Premises or any part thereof, and to make good any damage caused to the Premises by such removal. Any



installations, alterations, additions, partitions and fixtures and anything in the nature of the leasehold improvements not removed by the Tenant or required to be removed by the Landlord, shall become the absolute property of the Landlord without any cost to the Landlord or compensation to the Tenant, any subtenant or occupant of the Premises, free and clear of all liens, charges and encumbrances whatsoever.

SECTION 8.03 SIGNS

The Tenant shall not paint, display, inscribe, place or affix any sign, picture, advertisement, notice, lettering or direction, or any window blinds or awnings, on any part of the outside of the Building or visible from the outside of the Building, or in any corridor, hallway, entrance or any other public part of the Building, without the prior written approval of the Landlord; provided that the Landlord may prescribe a uniform signage policy (including sign shape, dimensions, construction materials and method of installation) for identification signs for tenants to be placed on the outside of the Premises. Provided that, at the request of the Tenant and at the Tenant's expense, the Landlord shall, at its option, either permit such sign to be placed or, cause such a sign to be placed, in position in the form of lettering, style and design and in the size and position as directed by the Landlord in writing. Provided that on the expiration or sooner termination of this Lease, the Tenant shall cause any signs as aforesaid to be removed or obliterated at its own expense and in a good and workmanlike manner. The Tenant will indemnify and save harmless the Landlord from and against any loss, suit, action, damage, injury or claim suffered by any person, firm or corporation arising out of or by reason of the erection, or the removal of same and whether or not the Tenant, its officers, employees, agents, invitees or servants have been negligent with respect to the same.

ARTICLE IX

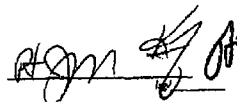
The parties hereto agree each with the other as follows:

SECTION 9.00 DAMAGE OR DESTRUCTION OF PREMISES

- a) If, during the Term, the Premises shall be damaged or destroyed by a peril or perils which would be covered by a standard fire insurance policy with an extended coverage endorsement thereto, the Minimum Rent shall abate in the proportion that the part of the Premises rendered unfit for occupancy bears to the whole of the Premises until the Premises are rebuilt; and the Landlord agrees that it will with reasonable diligence repair the Premises unless the Lease is terminated in accordance with the provisions herein, except for:
- i) any repair the Tenant is obligated to make under the terms hereof, and
 - ii) the property of the Tenant or any occupant of the Premises, or any part thereof, and any improvements installed by or on behalf of the Tenant, any previous tenant, or any occupant of the Premises, or any part thereof, all of which the Tenant agrees to repair and restore, in each such case, to substantially the condition same were in immediately before such destruction or damages occurred,

but in any event subject always to the provisions of paragraphs 9.00(b), 9.00(c), 9.00(d) and 9.00(e) hereof.

- b) If the Premises are damaged or destroyed by any cause whatsoever and if, in the opinion of the Landlord reasonably arrived at, the Premises cannot be rebuilt or made fit for the purposes of the Tenant within one hundred and twenty (120) days of the damage or destruction, the Landlord instead of rebuilding or making the Premises fit for the Tenant as provided in Section 9.00(a) above, may at its option, terminate this Lease by giving the Tenant within thirty (30) days of such damage or destruction notice of termination and thereupon the rent shall be apportioned and paid to the date of such damage or destruction and the Tenant shall immediately deliver up possession of the Premises to the Landlord.



- c) If the Building or part thereof shall be damaged or destroyed and such damage or destruction shall, in the opinion of the Landlord reasonably arrived at, materially interfere with the enjoyment of the Premises by the Tenant, the Minimum Rent in respect of the Premises shall abate in proportion to such interference during the period of such interference.
- d) If the Building shall, in the opinion of the Landlord reasonably arrived at, be damaged to the extent that no less than FORTY (40%) per cent of the area of the Building requires repair or reconstruction (and whether or not there shall be any damage to the Premises), the Landlord instead of rebuilding or repairing the Building as provided in Section 9.00(a) above, may at its option, terminate this Lease by giving the Tenant, within thirty (30) days of such damage or destruction, notice of termination and the Tenant shall immediately deliver up possession of the Premises to the Landlord.
- e) Provided always that there shall be no cessation or abatement of rent if damage to the Premises or the Building or any part thereof shall have been the result of the negligence, default or wilful act or omission of the Tenant or its agents, servants, employees, workmen or invitees or other persons from time to time on or about the Premises or the Lands with the expressed consent, approval or invitation of the Tenant.

SECTION 9.01 NOTICE OF ACCIDENTS, DEFECTS OR DAMAGES

The Tenant shall immediately advise the Landlord, and promptly thereafter by notice confirm such advice to the Landlord of any accident to or defect in the plumbing, gas pipes, water pipes, heating, ventilating and air conditioning apparatus, electrical equipment, conduits, or wiring, or of any damage or injury to the Premises, or any part thereof, howsoever caused; provided that nothing herein shall be construed so as to require repairs to be made by the Landlord, except as expressly provided in this Lease.

SECTION 9.02 DAMAGE TO BUILDING BY TENANT

The Tenant shall reimburse the Landlord forthwith on demand for all costs incurred by the Landlord in making good any damage caused to the Building, the Lands, the improvements thereon, or any part thereof, including the furnishings and amenities thereof as a result of the negligence or wilful act or omission of the Tenant, its employees, invitees, licensees, agents, servants or other persons from time to time in or about the Premises, the Building or the Lands with the express consent of the Tenant.

ARTICLE X

SECTION 10.00 ASSIGNING OR SUBLETTING

- a) The Tenant shall not suffer or permit any other person to use or to occupy the Premises and shall not mortgage this Lease or any right hereunder or interest herein and shall not assign this Lease or sublet the Premises or any part thereof (all of the foregoing being hereinafter collectively referred to as a "Transfer") without the prior consent in writing of the Landlord, which consent shall not be unreasonably withheld. This prohibition against any Transfer shall be construed to include a prohibition against any Transfer by operation of law. The Tenant shall not assign the Lease with respect to part of the Premises only.

- b) *U option to be terminated*
The Tenant shall, at the time the Tenant requests the consent of the Landlord to any Transfer, deliver to the Landlord such information in writing (herein called the "required information") as the Landlord may reasonably require respecting the proposed occupier, user, assignee, mortgagee or subtenant (all of the foregoing being hereinafter collectively referred to as the "Transferee") including the name, address, nature of business, reputation, financial responsibility and standing of such Transferee and the terms, conditions and rental rate of such Transfer. After receiving the tenant's request, the Landlord shall have the right, at its option, in

[Handwritten initials]

and remedies contained in Section 12.00 hereof shall apply. However, this Section 10.00(e) shall not apply to the Tenant if and so long as the Tenant is a public corporation whose shares are traded and listed on any recognized stock exchange in Canada or the United States, so long as prior to or as soon as reasonably possible after any such change of control of the Tenant, the Landlord receives assurances satisfactory to the Landlord that there will be a continuity of the existing management of the Tenant, and of its business practices and policies notwithstanding any such change of control. Furthermore, this Section 10.00(e) shall not apply to the Tenant where any such Transfer arises as a result of any Transfer to any affiliate of the Tenant or any internal reorganization or amalgamation of the Tenant with any of its affiliates as the term "affiliate" is defined in the Canada Business Corporations Act and provided the affiliate agrees to be bound by the terms and conditions of this Lease.

- f) Any Transfer in breach of Article X shall, until and unless the Landlord shall have otherwise consented, be invalid and of no force or effect but shall nevertheless constitute a default hereunder.
- g) The Landlord's consent to any Transfer shall not be effective unless given by the Landlord in writing and no such consent shall be deemed or presumed by any act or omission of the Landlord other than an express consent in writing; without limiting the generality of the foregoing, the Landlord may collect rent and any other amounts from the Transferee and apply the net amount collected to the rent and other amounts payable pursuant to this Lease and the collection or acceptance of such amounts shall not be deemed to be a waiver of the Landlord's rights under this Article X nor an acceptance of or consent to any such Transfer. N/A
- h) If pursuant to a Transfer consented to by the Landlord, a Transferee has sublet all or part of the Premises from the Tenant and has agreed to pay the Tenant a rent (which shall be deemed to include any premiums, bonuses, key money or lump sum payments made by the Transferee to the Tenant, or as the Tenant may direct, that may reasonably be considered to be for the use of all or part of the Premises, or amounts payable for the purchase or use of leasehold improvements or chattels in excess of their fair market value, lump sums to be amortized over the term of the sublease for the purposes of calculating the rent) or other amount in respect of its use of the Premises or any part of the Premises that exceeds the rent payable by the Tenant to the Landlord (or a pro-rated portion of such rent in the case of a Transfer of less than the entire Premises), the Tenant will pay to the Landlord monthly, as additional rent, together with Minimum Rent, an amount equal to the excess rent received or receivable by the Tenant from the Transferee.

ARTICLE XI

SECTION 11.00 TENANT'S INSURANCE

- a) The Tenant shall at its own expense, provide and maintain in force during the Term:
 - i) plate glass insurance, for the benefit of the Landlord, any and all mortgagees of the Landlord (the "Mortgagee") and the Tenant, covering all plate glass in the Premises, including plate glass windows and doors, in an amount equal to the full insurable value thereof;
 - ii) comprehensive general public liability (covering personal and bodily injury, death and property damage) on an occurrence basis with respect to all construction, installation and alteration done in the Premises by the Tenant, the business carried on, in or from the Premises, any private rail crossing servicing the Lands and the Tenant's use and occupancy thereof and of the Premises, of not less than Five Million Dollars (\$5,000,000.00) (or such greater amount as the Landlord may require);

- iii) insurance in the amounts of the replacement cost value of the Tenant's trade fixtures and the furniture and equipment of the Tenant and all leasehold improvements of the Tenant, and which insurance shall contain a waiver of subrogation clause in favour of the Landlord and such insurance shall include the Landlord and the Mortgagee as additional insureds as the Landlord's and the Mortgagee's interest may appear with respect to insured leasehold improvements and provide that any proceeds recoverable in the event of loss to leasehold improvements shall be payable to the Landlord and the Mortgagee jointly but the Landlord and Mortgagee shall agree to make available such proceeds toward the repair or replacement of the insured property if this Lease is not terminated pursuant to any provision hereof;
 - iv) Tenant's legal liability insurance (for the full replacement cost of the Premises),
 - v) any other form of insurance as the Landlord, acting reasonably, requires from time to time for risks against which a prudent tenant would insure and in respect of which insurance is available.
- b) All insurance required to be maintained by Tenant hereunder shall be in amounts and on terms satisfactory to Landlord and the Mortgagee. Such insurance shall be by policies in form and content satisfactory from time to time to the Landlord and the Mortgagee and with insurers acceptable to Landlord and the Mortgagee and shall provide that such insurers shall endeavour to provide to Landlord and the Mortgagee thirty (30) days prior written notice of cancellation of such policies. Each policy shall name the Landlord and the Mortgagee as additional insureds except for coverage for Tenant's fixtures and furnishings and equipment but including coverage for leasehold improvements in respect of Landlord's and the Mortgagee's insurable interests therein, and shall contain a waiver of subrogation in favour of Landlord and the Mortgagee and shall protect and indemnify the Landlord, the Mortgagee and Tenant. The Tenant shall furnish to the Landlord certificates of the insurance from time to time required to be effected by Tenant and evidence acceptable to Landlord of their continuation in force.
- c) In the event that the Tenant shall fail to insure and keep insured as hereinbefore provided in this Section 11.00, the Landlord upon five (5) days prior notice in writing to the Tenant, shall be free to effect such insurance and the costs thereof, together with a sum equal to fifteen (15%) percent of such costs as an administration fee together with interest on all such costs at the Stipulated Rate from the date of payment by the Landlord to the date of reimbursement by the Tenant, shall be due and payable forthwith on demand as additional rent hereunder.
- d) In the event that the Landlord, the Mortgagee 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 Mortgagee and then the Landlord and the balance, if any, to the settlement of the claim of the Tenant.

SECTION 11.01 INDEMNITY TO LANDLORD

The Tenant shall, notwithstanding Section 11.00 hereof, indemnify and save harmless the Landlord from any and all liabilities, damages, expenses, costs, fees (including reasonable legal fees), claims, suits or actions of third parties directly arising from:

- a) This paragraph has been intentionally deleted;
- b) any damage to third party property occasioned by the negligent use or occupation of the Premises or any part thereof by the Tenant;
- c) any injury to third parties including death resulting at any time therefrom, occurring in, upon or about the Premises, or any part thereof arising out of the negligent use or occupation of the Premises or any part thereof by the Tenant;

[Handwritten initials]

- d) any negligent act or omission of the Tenant, its agents, employees, licensees, servants, or invitees or other persons for whom the Tenant is in law responsible, on or about the Premises, the Building or the Lands with the express consent, approval or invitation of the Tenant, or
- e) any Environmental Hazards caused by or attributable to the Tenant or in any subtenant of the Tenant or any other party for whom the Tenant is in law responsible using the Premises or any part thereof,

and this indemnity shall survive the expiry or sooner termination of this Lease.

ARTICLE XII

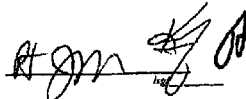
The parties hereto agree each with the other as follows:

SECTION 12.00 RE-ENTRY

- a) If and whenever the rent or any part thereof or any other monies payable by the Tenant under this Lease, shall be unpaid when the same ought to have been paid, although no formal demand shall have been made therefor, or in case of the material breach or non-performance of any of the covenants or agreements (other than for the payment of rent and other monies) herein contained on the part of the Tenant or if the Premises are vacated or become vacant or remain unoccupied for five (5) days or are not used for the purpose specified then, and in any of such cases, the then current month's rent together with the rent for the next three months next ensuing shall immediately become due and payable, and it shall be lawful for the Landlord at any time thereafter without notice or any form of legal process whatever, to re-enter into and upon the Premises or any part thereof, in the name of the whole, and the same to have again, repossess and enjoy, as of the Landlord's former estate, anything herein contained to the contrary notwithstanding, whereupon this Lease shall terminate forthwith, anything contained herein or in any statute or law to the contrary notwithstanding, provided however such termination shall be wholly without prejudice to the right of the Landlord to recover arrears of rent and direct damages for any antecedent breach of covenant on the part of the Tenant. Notwithstanding such termination, the Landlord may subsequently recover from the Tenant all direct losses, damages, costs (including reasonable legal fees) and expenses incurred by the Landlord directly by reason of this Lease having been prematurely determined.
- b) The Tenant further agrees with the Landlord that in any of the cases above described in Section 12.00(a), the Landlord, in addition to the other rights hereby reserved to it, shall have the right to enter the Premises or otherwise without being liable for any prosecution therefor and to re-lease or sublet, as the Tenant's agent, the Premises or any part thereof, and to apply the proceeds of such re-leasing or sub-leasing on account of rent due or in satisfaction of the material breach of any covenant or agreement herein contained and the Tenant shall remain liable for the deficiency, if any.

SECTION 12.01 INSOLVENCY

If the Term hereby granted shall be at any time seized or taken in execution or in attachment by any creditor of the Tenant or if the Tenant or guarantor or indemnifier of this Lease or of the Tenant's obligations hereunder, shall make any assignment for the benefit of creditors, or become bankrupt or insolvent or shall take the benefit of any Act that may now or hereafter be or become in force, for bankrupt or insolvent debtors or file a proposal or a receiver or receiver and manager is appointed for all or a portion of the Tenant's property or any steps are taken or any action or proceeding is instituted by the Tenant or any other party, including without limitation, any court or governmental body, for the dissolution, winding up, or liquidation of the corporate existence of the Tenant, then and in any such case the Term shall, at the option of the Landlord, immediately become forfeited and void and the then current month's rent and the rent for the three (3) months next following shall immediately become due and payable as liquidated damages to the Landlord and in such case it shall be lawful for the Landlord at any time



thereafter to re-enter into and upon the Premises or any part thereof, in the name of the whole, and the same to have again, repossess and enjoy as of its former estate anything herein contained to the contrary notwithstanding.

SECTION 12.02 LANDLORD MAY PERFORM TENANT'S COVENANTS

If the Tenant shall fail to perform or cause to be performed any of the covenants or obligations of the Tenant in this Lease contained, on the part of the Tenant to be observed or performed, the Landlord shall have the right (but shall not be obligated) to perform or cause the same to be performed, and to do or cause to be done such things as may be necessary or incidental thereto (including without limiting the foregoing, the right to make repairs, installations, erections and expend monies) and all payments, expenses, costs, charges, fees (including all legal fees on a solicitor and his own client basis) and disbursements incurred or paid by or on behalf of the Landlord in respect thereof shall be paid by the Tenant to the Landlord, as additional rent, forthwith together with a sum equal to fifteen (15%) percent of the aggregate of all payments, expenses, costs, charges, fees and disbursements as an administration fee together with interest on all such sums at the Stipulated Rate from the date incurred until repaid by the Tenant.

SECTION 12.03 FOLLOW CHATTELS

Provided that in case of removal by the Tenant of the goods and chattels of the Tenant from off the premises, the Landlord may follow the same for thirty (30) days.

SECTION 12.04

This Section has been intentionally deleted.

SECTION 12.05 OVERLOOKING AND CONDONING

Any condoning, excusing or overlooking by the Landlord of any default, breach or non-observance by the Tenant at any time or times in respect of any covenant, proviso or condition herein contained shall not operate as a waiver of the Landlord's rights hereunder in respect of any subsequent default, breach or non-observance nor so as to defeat or affect in any way the rights of the Landlord hereunder in respect of any subsequent default, breach or non-observance. The subsequent acceptance of rent by the Landlord shall not be deemed to be a waiver of any preceding breach by the Tenant of any term, covenant or condition of this Lease regardless of the Landlord's knowledge of such preceding breach at the time of acceptance of such rent.

SECTION 12.06 FORCIBLE RE-ENTRY

In the event that the Landlord shall be entitled under the terms of this Lease or by law to enter the Premises, then the Landlord shall be at liberty to effect such re-entry forcibly, and for such purpose the Landlord, or its servants or agents duly authorized in writing may break open locks, doors, windows, or otherwise, as may be deemed necessary for such purposes, without in any way incurring any liability of becoming responsible for damages or otherwise to the Tenant.

SECTION 12.07 REMEDIES GENERALLY

Mention in this Lease of any particular remedy of the Landlord in respect of the default by 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 upon any other remedy, but the Landlord may from time to time exercise any one or more of such remedies generally or in combination, such remedies being cumulative and not alternative. Whenever the Tenant seeks a remedy in order to enforce the observance or performance of one of the terms, covenants, agreements and conditions contained in this Lease on the part of the Landlord to be observed or performed, the Tenant's remedy shall be to seek any such damages as the Tenant shall be able to prove in a court of competent jurisdiction that it has suffered as a result of a breach (if established) by the Landlord in the observance of any of the terms, covenants, agreements and conditions contained in this Lease on the part of the Landlord to be observed or performed.

Landlord shall use its best commercial efforts to ensure that such successor is bound by all of the covenants, agreements or conditions herein contained on the part of the Landlord. If any security is given by the Tenant to secure performance of the Tenant's covenants hereunder, the Landlord may transfer such security to the purchaser of the reversion and thereupon the Landlord shall be discharged from any further liability in reference thereto.

SECTION 14.01 EXHIBITING PREMISES

During the Term, 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 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 sale or for rent and further provided that the Tenant will not remove such notice or permit the same to be removed.

SECTION 14.02 OVERHOLDING

If at the expiration of the Term of this Lease the Tenant shall hold over, 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 one-sixth (1/6th) of the Minimum Rent payable for the calendar year immediately preceding such expiration, payable monthly in advance on the first day of each month and shall be subject to all other terms and conditions of this Lease except as to duration and any option to renew or extend the Term.

SECTION 14.03 CALCULATIONS

In the event any calculation, estimation or determination of the area of the Premises or the Building or of the Operating Expenses or the Taxes or of Proportionate Share, is disputed or called into question, it shall be calculated or determined by the Landlord's architect, quantity surveyor or accountant (any one or more of whom may be an employee of the Landlord), as the case may be, whose certificate shall be conclusive. All measurements of area shall be taken from the exterior wall surface in the case of outside walls and from the centre line of all walls in case of interior dividing walls and no deduction shall be made for doorways, columns, shafts, stairs or other interior obstruction, construction or equipment.

SECTION 14.04 SUBORDINATION

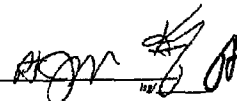
If required by the Landlord so to do, the Tenant shall subordinate this Lease to any mortgages, including any deed of trust and mortgage and all indentures supplemental thereto, which now or hereafter during the Term affect or relate to this Lease, the Premises and to all modifications or renewals thereof. The Tenant agrees to execute promptly, from time to time any assurance which the Landlord may require to confirm this subordination.

SECTION 14.05 CERTIFICATE OF STATUS

Whenever requested from time to time by the Landlord or any actual or proposed purchaser, mortgagee or encumbrancer of the Building, the Tenant shall promptly execute and deliver, to the party requesting the same, a certificate or acknowledgement as to the status and validity of this Lease and the state of the rental account herein, and such other information as may reasonably be required.

SECTION 14.06 LEASE ENTIRE RELATIONSHIP

The Tenant acknowledges that there are no covenants, representations, warranties, agreements or conditions expressed or implied, collateral or otherwise forming part of or in any way affecting or relating to this Lease save as expressly set out in this Lease and that this Lease constitutes the entire agreement between the Landlord and the Tenant and may not be modified except by subsequent agreement in writing of equal formality executed by the Landlord and the Tenant.

Handwritten initials and signatures, including a large signature and a smaller one, written over the text 'Please Initial:'.

SECTION 14.07 NOTICES

- a) Any notice herein provided for or given hereunder if given by the Tenant to the Landlord shall be given in writing and shall be sufficiently given if mailed by registered mail, postage prepaid to the Landlord at the Landlord's Address for service.
- b) Any notice herein provided for or given hereunder, if given by the Landlord to the Tenant, shall be in writing and shall be sufficiently given if delivered or mailed by registered mail, postage prepaid to the Tenant at the Premises;
- c) Any notice mailed as aforesaid shall be conclusively deemed to have been given on the third business day following the day on which such notice is mailed as aforesaid. In the event of any existing or threatened disruption in postal services, service by mail shall not be an acceptable means of delivery until ten (10) days after normal postal service has commenced. The Landlord may at any time give notice in writing to the Tenant of any change of address of the Landlord and from and after the giving of such notice the address therein specified shall be deemed to be the address of the Landlord for service. The word "notice" in this Section 14.07 shall be deemed to include any request, demand, direction or statement in writing in this Lease provided or permitted to be given by the Landlord to the Tenant or by the Tenant to the Landlord.

SECTION 14.08 ACCORD AND SATISFACTION

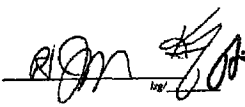
No payment by the Tenant or receipt by the Landlord of a lesser amount than the monthly payment of rent and additional rent herein stipulated is deemed to be other than on account of the earliest stipulated rent and additional rent nor is any endorsement or statement on any cheque or any letter accompanying any cheque or payment as rent or additional rent deemed an acknowledgement of full payment or an accord and satisfaction, and the Landlord may accept and cash such cheque or payment without prejudice to the Landlord's right to recover the balance of such rent or pursue any other remedy provided in this Lease.

SECTION 14.09 GOVERNING

This Lease shall be construed and governed by the laws of the Province in which the Lands are situate. All of the provisions of this Lease are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate section and paragraph hereof and all of such covenants and agreements shall be deemed to run with the Lands and the reversion therein. Should any provision of this Lease be illegal or not enforceable they shall be considered separate and several from the Lease and its remaining provisions shall remain in force and be binding upon the parties hereto as though the illegal or unenforceable provisions had never been included. The schedules shall form part of this Lease.

SECTION 14.10 EXPROPRIATION

If at any time during the Term of this Lease title is taken by the right or exercise of condemnation or expropriation to the whole or a portion of the Building (whether or not including the Premises) the Landlord may, at its option, give at least thirty (30) days written notice to the Tenant terminating this Lease on the date stated in the said notice. Upon such termination, the Tenant shall immediately surrender the Premises and all its interest therein to the Landlord, and the rent shall abate and be apportioned to the date of termination and the Tenant shall forthwith pay to the Landlord the apportioned rent and all other amounts which may be due to the Landlord up to the date of termination. The Tenant shall have no claim upon the Landlord for the value of the unexpired Term of this Lease, but the parties shall each be entitled to separately advance their claims for compensation for the loss of their respective interests in the Premises and the parties shall be entitled to receive and retain such compensation as may be awarded to each respectively.

The page contains handwritten initials and a signature. The initials 'RJM' are written in a cursive style, followed by a signature that appears to be 'L. J. ...'.

SECTION 14.11 TIME OF ESSENCE

Time shall be of the essence of this Lease.

SECTION 14.12 REGISTRATION

The Tenant shall not register this Lease provided that the Tenant may register a notice thereof with the prior consent of the Landlord.

SECTION 14.13 CAPTIONS

The headings, captions, section numbers, article numbers and indices appearing in this Lease have been inserted as a matter of convenience and for reference only and in no way define, limit, construct or enlarge the scope or meaning of this Lease or any provisions hereof.

SECTION 14.14 BINDING EFFECT

This Lease and everything herein contained shall enure to the benefit of and be binding upon the heirs, executors, administrators, successors, assigns and other legal representatives, as the case may be, of each of the parties hereto, subject to the granting of consent by the Landlord as provided in Article X to any assignment or sublease, and every reference herein to any party hereto shall include the heirs, executors, administrators, successors, assigns and other legal representatives of such party, and where there is more than one Tenant or there is a female party or corporation, the provisions hereof shall be read with all grammatical changes thereby rendered necessary and all covenants shall be deemed joint and several.

SECTION 14.15 CONFIDENTIALITY

The Tenant covenants and agrees not to, directly or indirectly, disclose, divulge, reveal, report, transfer to any person or use for any purpose any confidential information, which has been designated as such by the Landlord, and which has been obtained or disclosed to the Tenant arising from this Lease, or from any lease negotiations or pursuant to any Offer to Lease, including but not limited to the terms and provisions of this Lease (which are hereby deemed to be confidential), except with the written consent of the Landlord or unless disclosed in legal proceedings between the parties hereto or unless required to be disclosed by operation of law. Any unauthorized disclosure shall constitute a breach of this Lease.

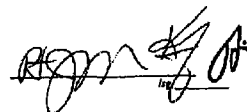
**ARTICLE XV
SPECIAL CONDITIONS**

SECTION 15.00 SUBSTITUTION

At any time after the execution of this Lease, the Landlord may substitute for the Premises other premises in the Development (the "New Premises") in which event the New Premises shall be deemed to be the Premises for all purposes hereunder, provided that the New Premises shall be similar in area and in appropriateness for the Tenant's purposes and provided that any such substitution is effected for the purpose of accommodating a tenant that will occupy all or a substantial portion of the floor on which the Premises are located. If the Tenant is occupying the Premises at the time of such substitution, the Landlord shall pay the reasonable expenses of moving the Tenant, its property and equipment to the New Premises and shall, at its sole cost, improve the New Premises with improvements substantially similar to those located in the Premises, provided that such improvements are required by the Tenant as being necessary for the operation of its business.

SECTION 15.01 LANDLORD'S PLANS

Schedule "B" attached to this Lease is for identification only and is not to be interpreted as being a representation or warranty on the part of the Landlord with respect to existing or future tenancies.



SECTION 15.02 SECURITY FOR REPAIRS OR RENOVATIONS

This Section has been intentionally deleted.

SECTION 15.03 PREMISES TAKEN "AS IS"

The Tenant agrees that there is no promise, representation or undertaking by or binding upon the Landlord with respect to any alteration, remodelling or decoration of, or installation of equipment or fixtures, in the Premises and that the Tenant is taking the Premises "as is", subject to improvements outlined in Schedule "D" hereto, if any.

SECTION 15.04 REGISTRATION OF LEASE

The Tenant will not register or permit the registration on its behalf of this Lease or an assignment of this Lease in this form in any land registry office. If either party wishes to register a document for the purpose of giving notice of this Lease or of an assignment of this Lease then upon request of that party, both parties will join in the execution of a short form or notice of this Lease, as may be applicable in the province in which the Premises are situate ("short form"). The Landlord or its solicitors will prepare the short form and all other related documentation required for registration at the Tenant's expense. The short form will provide for and require the Landlord's consent to the registration of the document and will contain no more than the following information concerning the Lease: a description of the parties, the Premises, the Commencement Date, the expiration date of the Term and any renewal or extension rights. The Tenant will be responsible for payment of all costs, expenses and fees necessary for the registration or filing of the application to register the short form or of any assignment of the Lease. None of the provisions of this Lease will be considered to have merged in the short form and, to the extent that there is any conflict, this Lease will prevail over the short form.

No instrument will be registered against title to all the Lands. When the Landlord consents to the registration of an instrument, it will identify the appropriate parcel or parcels within which the Premises are situate and notice will be registered only against title to that parcel or parcels. To the extent possible under applicable laws and regulations, the instrument shall permit the Landlord upon the expiry or other termination of this Lease to effect a removal of such registration without further action of the Tenant, but the Tenant shall nevertheless be required to assist the Landlord, at no cost to the Landlord, to remove any such registration upon the expiry or other termination of this Lease.

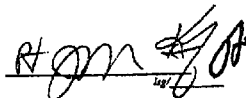
**ARTICLE XVI
ADDITIONAL PROVISIONS**

SECTION 16.01 OPTION TO EXTEND THE TERM

Provided that the Tenant is not in default under the terms and conditions of this Lease, the Tenant shall have one (1) option to extend the Term of the Lease for an additional period of five (5) years (the "Extension Term") by notice in writing given to the Landlord no less than six (6) months prior to the expiry of the Term.

The Option to Extend shall be on the same terms and conditions as set forth in this Lease, save and except for the following:

- (a) the Tenant shall take the Premises in an "as is" condition at the commencement of the Extension Term;
- (b) any fixturing period or rent free period, or requirement on the Landlord's part to pay to the Tenant any tenant's allowance, leasehold improvement allowance or inducement, if any in this Lease shall not apply to this Option to Extend;
- (c) the annual Minimum Rent payable during the Extension Term shall be at the then current market rate.



SECTION 16.02 LEASEHOLD IMPROVEMENT ALLOWANCE

Provided that the Tenant is not in default under the Lease, the Landlord shall pay to the Tenant a leasehold improvement allowance of one hundred twenty-five thousand dollars (\$125,000.00), plus the Goods and Service Tax on such amount, which shall be paid to the Tenant in accordance with the Landlord's standards with respect to improvement-allowance disbursements.

SECTION 16.03 EXISTING LEASE

It is understood and agreed upon by the parties hereto that the existing lease agreement binding the Landlord and the Tenant for those certain premises situated at 1230 Old Innes Road, Units 409 and 410, Ottawa, Ontario, shall terminate effectively on July 31, 2003, and all appropriate adjustments shall be made as of that date.

SECTION 16.04 RIGHT TO TERMINATE

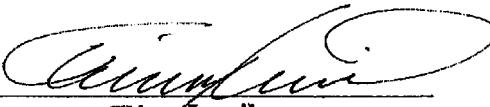
The Tenant shall have a one (1)-time right to cancel the Lease, effective August 31, 2010, subject to the following conditions:

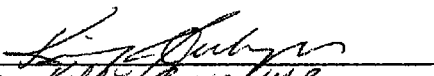
- a) the Lease can only be effectively terminated at August 31, 2010;
- b) the Tenant shall give the Landlord one (1) year prior written notice of its intention to so cancel the Lease;
- c) the Tenant shall accompany its written notice of cancellation to the Landlord with a penalty cheque in the amount of \$71,143.00 plus applicable taxes; and
- d) in addition to the cancellation penalty to be paid by the Tenant to the Landlord in accordance herewith, the Tenant shall pay to the Landlord all Rent owing by the Tenant under the Lease up to the effective cancellation date as it becomes due.

Agm *JP*

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

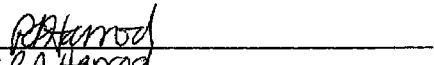
SUN LIFE ASSURANCE COMPANY OF CANADA


Per: 
Name: **Thierry Lessoli**
Title: **Director, Leasing
Eastern Region**

Per: 
Name: **KIRBY BAUGHER**
Title: **ASSISTANT VICE PRESIDENT**

We have authority to bind the Corporation.

**OTTAWA CITIZEN GROUP INC.
(THE FLYER FORCE DIVISION)**

Per: 
Name: **P.A. Harrod**
Title: **Assistant Secretary**

Per: 
Name: **John Maguire**
Title: **Vice President**

I/We have authority to bind the Corporation.

- Schedules
Schedule "A" - Lands
Schedule "B" - Premises
Schedule "C" - Rules and Regulations
Schedule "D" - Landlord's Work (if any)
Schedule "G" - Acknowledgement of Commencement Date

SCHEDULE "A"
LANDS

1220 - 1228 & 1230 Old Innes Road

Part of Lot 25, Concession 3, (O.F.) City of Ottawa (formerly Township of Gloucester) Regional Municipality of Ottawa-Carleton, designated as Parts 1 to 11 inclusive, Plan 5R-12382 and more particularly described as follows:

TOGETHER WITH a right-of-way over Parts 13, 15, 16, 17 and 21 on said Plan

5R-12382 for the purposes of ingress and egress by persons and/or vehicles to and from the said Parts 1 to 11 on Plan 5R-12382;

TOGETHER WITH an easement to enter on and install, construct, repair, maintain and replace sanitary sewers and all works and equipment appurtenant thereto from time to time, over, under, along and across the lands described as Part 13 on Plan 5R-12382;

TOGETHER WITH an easement to enter on and install, construct, repair, maintain and replace water services and all works and equipment appurtenant thereto from time to time, over, under, along and across the lands described as Part 21 on Plan 5R-12382;

SUBJECT TO an easement in favour of the owners from time to time of Part 20 on Plan 5R-12382 to enter on and install, construct, repair, maintain and replace storm sewers and all works and equipment appurtenant thereto from time to time over, under, along and across the lands described as Parts 5, 6, 7 and 10 on Plan 5R-12382;

SUBJECT TO an easement in favour of the owners from time to time of Part 20 on Plan 5R-12382 to enter on and install, construct, repair, maintain and replace water services and works and equipment appurtenant thereto from time to time over, under, along and across the lands described as Parts 1, 5, 6, 7, 8 and 9 on Plan 5R-12382;

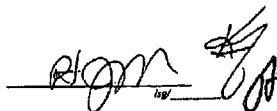
SUBJECT TO a right-of-way in favour of the owners from time to time of Part 20 on Plan 5R-12382 over Parts 1, 3, 5, 6, 7, 8 and 9 on Plan 5R-12382 for the purposes of ingress and egress by persons and/or vehicles to and from the said Part 20 on Plan 5R-12382;

SUBJECT TO an easement in favour of the owners from time to time of Parts 12 to 19 on Plan 5R-12382 to enter on and install, construct, repair, maintain and replace water services and works and equipment appurtenant thereto from time to time over, under, along and across the lands described as Parts 1, 5, 6, 7, 8 and 9 on Plan 5R-12382;

SUBJECT TO an easement in favour of the owners from time to time of Parts 12 to 19 on Plan 5R-12382 to enter on and install, construct, repair, maintain and replace storm sewers and works and equipment appurtenant thereto from time to time over, under, along and across the lands described as Parts 3, 4, 5, 6, 7, 8 and 10 on Plan 5R-12382;

SUBJECT TO a right-of-way in favour of the owners from time to time of Parts 12 to 19 on Plan 5R-12382 over Parts 1, 3, 4, 5, 6, 7, 8 and 9 on Plan 5R-12382 for the purposes of ingress and egress by persons and/or vehicles to and from the said Parts 12 to 19 on Plan 5R-12382;

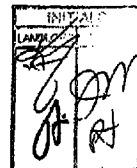
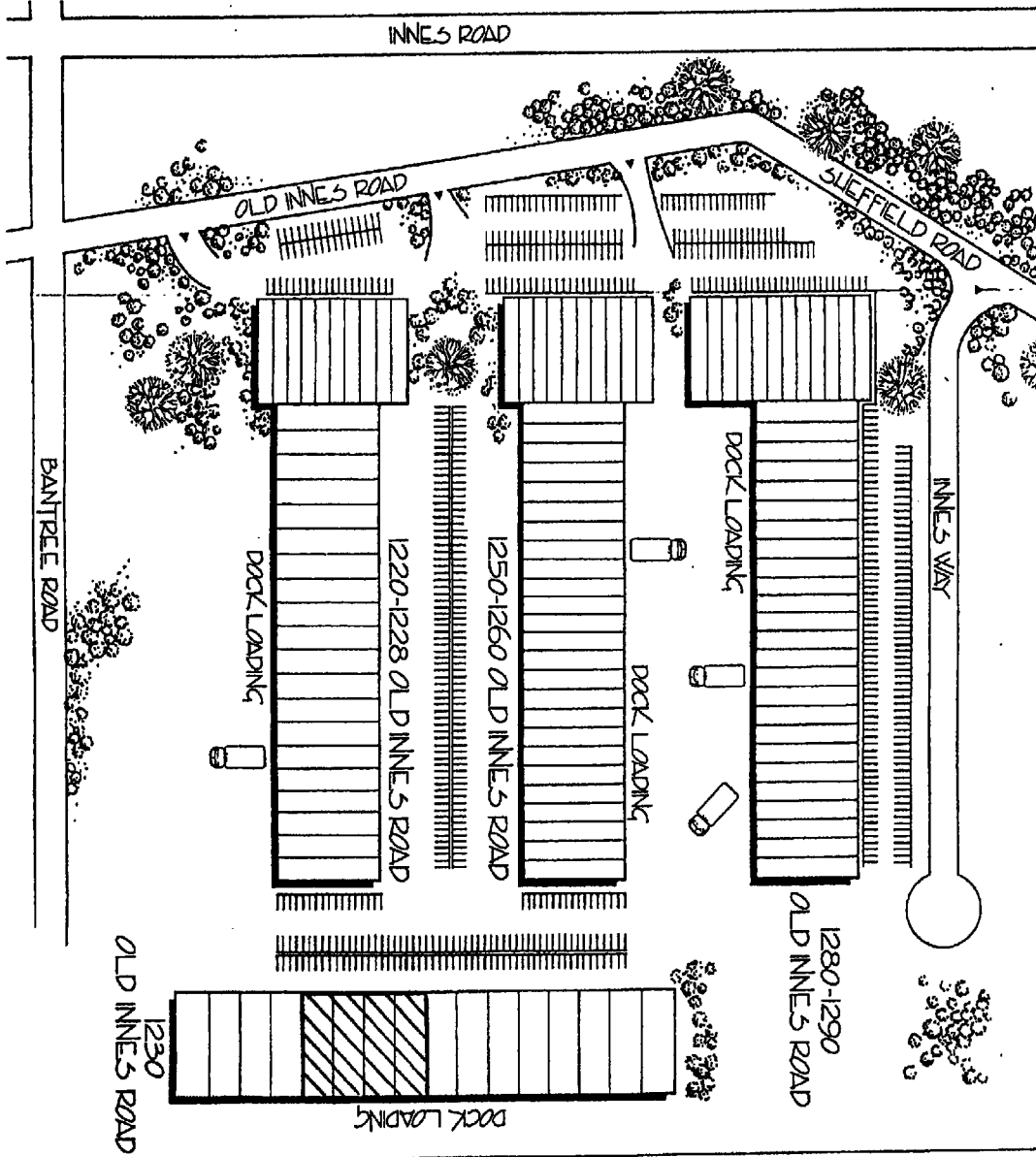
SUBJECT TO a right-of-way in favour of the owners from time to time of Parts 21 and 22 on Plan 5R-12382 over Parts 1, 3, 5, 6, 7, 8 and 9 on Plan 5R-12382 for the purposes of ingress and egress by persons and/or vehicles to and from the said Parts 21 and 22 on Plan 5R-12382;



SCHEDULE "B"

Plan of Premises

1230 Old Innes Road, Units 405, 406, 407 and 408, Ottawa, Ontario



SCHEDULE "G"
ACKNOWLEDGEMENT OF COMMENCEMENT DATE

TO: The Landlord

AND TO: The Mortgagee

The undersigned Tenant hereby acknowledges or certifies to you that:

1. The Commencement Date of the Lease was **September 1, 2003**;
2. We have accepted possession of the Premises pursuant to the terms of the Lease and are now in possession thereof;
3. The Premises have been erected and delivered in accordance with the terms of the Lease;
4. The Premises have been fixtured and stocked and our normal business operations are being conducted therein;
5. There have been no violation of any of the terms of the Lease, there is no offset of rent or any other payment under the Lease and none of the rent reserved under the Lease has been prepaid;
6. There is no violation of any of the terms of the Lease either on the part of the Landlord or the Tenant;
7. The Lease is now in full force and effect in accordance with its terms and there are no oral or written modifications, variations or alterations thereof;
8. We have no knowledge of any assignment of the Lease.

Dated at _____, this _____ day of _____, 2003.

TENANT

OTTAWA CITIZEN GROUP INC.
(THE FLYER FORCE DIVISION)

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/We have the authority to bind the Corporation.

NOTE: If the Tenant is a Corporation, the Tenant shall affix its corporate seal to this Acknowledgement and indicate the office (e.g. President, Secretary, etc.) of the person or persons signing on behalf of the Corporation.

*****The Tenant covenants to execute and deliver an Acknowledgement in this form to the Landlord within 30 days of possession of the Premises*****

1

Please Initial: _____

APPENDIX "I"

LEASE BETWEEN

FAIRLANE DEVELOPMENTS INC., LANDLORD

- and -

PHOENIX MEDIA GROUP INC., TENANT

- and -

GARY BAXTER, GUARANTOR

TABLE OF CONTENTS

ARTICLE ONE (1) - GRANT & TERM

Section 1.01 - Leased Premises and Common Facilities 1
Section 1.02 - Term of Lease 1

ARTICLE TWO (2) - RENT

Section 2.01 - Rent 2
Section 2.02 - Rent Past Due 2
Section 2.03 - Deposit 2

ARTICLE THREE (3) - ADDITIONS, RELOCATION & PARKING FACILITIES

Section 3.01 - Changes to Building and Parking Areas 2

ARTICLE FOUR (4) - CONDUCT OF BUSINESS BY TENANT

Section 4.01 - Use of Premises 2
Section 4.02 - Operation of Business 2

ARTICLE FIVE (5) - PARKING & COMMON USE OF AREAS AND FACILITIES

Section 5.01 - Control of Common Areas by the Landlord 3
Section 5.02 - License 3
Section 5.03 - Landlord to Maintain Common Area 3

ARTICLE SIX (6) - SIGNS, AWNINGS, CANOPIES, FIXTURES, ALTERATIONS

Section 6.01 - Installation by the Tenant 3
Section 6.02 - Removal & Insurance by the Tenant 4
Section 6.03 - The Tenant Shall Discharge all Liens 4
Section 6.04 - Signs, Awnings, Canopies & Advertising 4
Section 6.05 - Pylon Sign 4

ARTICLE SEVEN (7) - MAINTENANCE & REPAIR OF LEASED PREMISES

Section 7.01 - Maintenance & Repair by the Tenant 5
Section 7.02 - Maintenance by the Landlord 5
Section 7.03 - Surrender of Premises 5
Section 7.04 - Rules & Regulations 5

ARTICLE EIGHT (8) - INSURANCE & INDEMNITY

Section 8.01 - Liability Insurance 6
Section 8.02 - Increase in Fire Insurance Premium 7
Section 8.03 - Plate Glass 7
Section 8.04 - Alterations, Additions & Improvements 7
Section 8.05 - Policies 7
Section 8.06 - Indemnification of the Landlord 7

ARTICLE NINE (9) - UTILITIES AND TAXES

Section 9.01 - Utility Charges 8
Section 9.02 - Taxes 8

ARTICLE TEN (10) - ACKNOWLEDGEMENT OF TENANCY, ATTORNMENT, SUBORDINATION	
Section 10.01 - Acknowledgement of Tenancy	8
Section 10.02 - Subordination & Attornment	8
ARTICLE ELEVEN (11) - ASSIGNMENT & SUBLETTING	
Section 11.01 - Consent Required	9
Section 11.02 - Assignment	9
ARTICLE TWELVE (12) - WASTE, GOVERNMENTAL REGULATION	
Section 12.01 - Waste	9
ARTICLE THIRTEEN (13) - DESTRUCTION OF LEASED PREMISES	
Section 13.01 - Total or Partial Destruction of the Leased Premises	10
Section 13.02 - Total or Partial Destruction of Fairlane Towne Centre	11
Section 13.03 - Retention of Insurance Proceeds	11
ARTICLE FOURTEEN (14) - DEFAULT OF THE TENANT	
Section 14.01 - Right to Re-Enter	11
Section 14.02 - Right to Re-Let	11
Section 14.03 - Legal Expenses	12
Section 14.04 - Bankruptcy or Receivership	12
Section 14.05 - The Landlord may Perform Covenants	12
Section 14.06 - Landlord may Follow Chattels	12
Section 14.07 - Waiver of Exemption	13
ARTICLE FIFTEEN (15) - ACCESS BY THE LANDLORD	
Section 15.01 - Right of Entry	13
ARTICLE SIXTEEN (16) - THE TENANT'S PROPERTY & BUSINESS	
Section 16.01 - Taxes on Leasehold	14
Section 16.02 - Loss & Damage	14
Section 16.03 - Notice by Tenant	14
ARTICLE SEVENTEEN (17) - HOLDING OVER, RENEWAL & SUCCESSORS	
Section 17.01 - Holding Over	14
Section 17.02 - Renewal	14
Section 17.03 - Successors	15
ARTICLE EIGHTEEN (18) - QUIET ENJOYMENT	
Section 18.01 - The Landlord's Covenant	15
Section 18.02 - Restrictive Covenant	15
ARTICLE NINETEEN (19) - MISCELLANEOUS	
Section 19.01 - Waiver	15
Section 19.02 - Accord & Satisfaction	15
Section 19.03 - Entire Agreement	15
Section 19.04 - No Partnership	16
Section 19.05 - Force Majeure	16
Section 19.06 - Notices	16
Section 19.07 - Place for Payment of Rent	16
Section 19.08 - Registration	16
Section 19.09 - Governing Law	16
Section 19.10 - Overdue Amounts	16
Section 19.11 - Captions & Section Numbers	17
Section 19.12 - The Tenant Defined, Use of Pronoun	17
Section 19.13 - Landlord to Include Representatives	17
Section 19.14 - Partial Invalidity	17
Section 19.15 - No Option	17
Section 19.16 - The Planning Act	17
Section 19.17 - No Abatement	17

Section 19.18 - Post-Dated Cheques	18
Section 19.19 - Dishonoured Cheques	18
Section 19.20 - Time of Essence	18
Section 19.21 - Financial Information	18
Section 19.22 - G.S.T.	18
Section 19.23 - Landlord's Work	18
Section 19.24 - Tenant's Work	18
Section 19.26 - Handicapped Parking Area	18
Section 19.27 - Guarantor	18

SCHEDULES

Description of lands comprising the Fairlane Towne Centre	"A"
Site Plan	"B"
Floor Plan	"B1"
Landlord's Work	"C"
Tenant's Work	"D"

1

LEASE

THIS INDENTURE made the 27th day of June, 2001.

IN PURSUANCE OF THE SHORT FORMS OF LEASES ACT

B E T W E E N :

FAIRLANE DEVELOPMENTS INC.

(hereinafter called the "Landlord")

- and -

PHOENIX MEDIA GROUP INC., a company incorporated
under the laws of the Province of Ontario

(hereinafter called the "Tenant")

- and -

GARY BAXTER

(hereinafter called the "Guarantor")

WITNESSETH THAT:

ARTICLE ONE (1) - GRANT AND TERM

SECTION 1.01 - LEASED PREMISES AND COMMON FACILITIES

In consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Tenant to be paid, observed and performed, the Landlord demises and leases to the Tenant those certain premises being part of the commercial centre located at 1614 Lesperance Road, in the Town of Tecumseh in the Province of Ontario, described on Schedule "A" annexed hereto, (hereinafter called the "Fairlane Towne Centre"); the said premises to consist of part of a building containing approximately one thousand two hundred (1,200) square feet, as outlined in red on the site plan of the Fairlane Towne Centre, attached as Schedule "B" hereto, and designated as Unit 2, Building "A" in the Fairlane Towne Centre, attached as Schedule "B1" hereto (hereinafter called the "leased premises").

The Tenant shall have a non-exclusive license during the term to use, in common with all others entitled thereto, the common area facilities of the Fairlane Towne Centre (the "common area"), subject such to the terms and conditions of this lease and to reasonable rules and regulations prescribed from time to time by the Landlord in connection therewith.

SECTION 1.02 - TERM OF LEASE

TO HAVE AND TO HOLD the leased premises for and during the term of five (5) years to be computed from the 1st day of July, 2001 (hereinafter called the "term") or such earlier or subsequent date as the Landlord shall have the leased premises ready for occupation, (hereinafter called the "lease commencement date"). The Landlord shall not be liable for any damages (direct or consequential) arising if the leased premises are not available on the lease commencement date; provided that in the event the leased premises are not completed by the Landlord for occupancy by the Tenant on the lease commencement date, the rent under this lease shall abate to the extent of such delay, and the Tenant hereby agrees to accept such abatement of rent in full settlement of all claims which the Tenant might otherwise make because the leased premises were not ready for occupancy by the lease commencement date.

ARTICLE TWO (2) - RENT**SECTION 2.01 - RENT**

The Tenant covenants and agrees to pay unto the Landlord from and after July 1st, 2001 a rent for the leased premises payable in monthly installments in advance on or before the first day of each month without any prior demand therefor, and without any deduction or set-off whatsoever, such rent (exclusive of G.S.T.) to be Nineteen thousand two hundred Dollars (\$19,200.00) per annum, payable in monthly installments as aforesaid of One thousand six hundred Dollars (\$1,600.00) each. (The rent payable has been determined and based upon a rate of Twelve Dollars (\$12.00) per square foot plus an additional Four Dollars (\$4.00) per square foot representing the Tenant's portion of the fees and expenses incurred by the Landlord in order to maintain the common area as provided by Section 5.03 herein.)

SECTION 2.02 - RENT PAST DUE

If the Tenant fails to pay, when the same is due and payable, any minimum rent, percentage rent, additional rent or any other amount payable by the Tenant under this lease, such unpaid amounts bear interest at an annual rate of twelve (12%) percent.

SECTION 2.03 - DEPOSIT

The Landlord has received a deposit in the sum of Three thousand five hundred Dollars (\$3,500.00) to be held by the Landlord as security for the performance of the Tenant's obligations under this lease and provided that if the Tenant is in default of any of its covenants and obligations on its part herein contained, such sum shall be applied to any damages resulting from default by the Tenant of any of its covenants and obligations hereunder or towards the payment or reduction of any claim of the Landlord against the Tenant; provided that if the Tenant is not in default or in breach of any of its covenants or obligations and has not been declared bankrupt, then the security deposit shall be returned to the Tenant immediately following the expiration of the term of this lease.

ARTICLE THREE (3) - ADDITIONS, RELOCATION AND PARKING FACILITIES**SECTION 3.01 - CHANGES TO BUILDING AND PARKING AREA**

The Landlord hereby reserves the right at any time on the lands described to make alterations or additions to the building in which the leased premises are contained and to the automobile parking areas and common areas.

ARTICLE FOUR (4) - CONDUCT OF BUSINESS BY TENANT**SECTION 4.01 - USE OF PREMISES**

The Premises shall be used solely for the operation of an office or conducting business and other any other related activities, and for no other use whatsoever and the business contained therein. The Tenant shall conduct business continuously in the leased premises as stated above. The Tenant shall not use or permit the use of the leased premises for any other business or purpose other than that hereinbefore provided in this Section 4.01. The Tenant shall satisfy itself that its use of the leased premises shall conform with the requirements of the appropriate municipal or regulatory authority.

In the event that the Tenant breaches this covenant in any manner, the Landlord shall have the immediate right to terminate this lease and this lease agreement and to recover from the Tenant all damages incurred by it as a result of the breach of this covenant including loss of rentals arising as a result of such termination and/or to obtain a restraining order prohibiting such breach.

SECTION 4.02 - OPERATION OF BUSINESS

The Tenant covenants to operate and conduct its business upon the whole of the leased premises during the entire term of this lease in an up-to-date, clean, high class and reputable manner. The Tenant shall conduct its business in the leased premises during the regular customary days and

hours for such type of business in the city or trade area in which the Fairlane Towne Centre is located, but in any event will keep the leased premises open for business during the same days, nights and hours as the majority of the stores located in the Fairlane Towne Centre are open for business.

ARTICLE FIVE (5) - COMMON USE AREAS AND FACILITIES

SECTION 5.01 - CONTROL OF COMMON AREAS BY THE LANDLORD

All automobile parking areas, driveways, entrances and exits thereto and other facilities furnished by the Landlord in or near the Fairlane Towne Centre, including employee parking areas, pedestrian sidewalks, ramps, landscaped areas, exterior stairways and other areas and improvements provided by the Landlord for the general use, in common, of tenants, their officers, agents, employees and customers, shall at all times be subject to the exclusive control and management of the Landlord, and the Landlord shall have the right from time to time to establish, modify and enforce reasonable rules and regulations with respect to all facilities and areas mentioned in this Article. The Landlord shall have the right to construct, maintain, and operate lighting facilities on all said areas and improvements; to police the common areas; from time to time to change the areas; to close temporarily all or any portion of the parking areas and perform such other acts in and to said areas and improvements as in the use of good business judgement, the Landlord shall determine advisable. The Landlord will operate and maintain the common facilities referred to above in such a manner as the Landlord, in its sole discretion, shall determine from time to time. Without limiting the scope of such discretion, the Landlord shall have the full right and authority to employ all personnel and to make all rules and regulations pertaining to and necessary for the proper operation and maintenance of the common areas and facilities.

SECTION 5.02 - LICENSE

All common areas and facilities not within the leased premises, which the Tenant may be permitted to use and occupy, are to be used and occupied under a revocable license, and if any such license be revoked or if the amount of such areas be diminished, the Landlord shall not be subject to any liabilities, nor shall the Tenant be entitled to any compensation or diminution or abatement of rent, nor shall such revocation or diminution of such areas be deemed constructive or actual eviction.

SECTION 5.03 - LANDLORD TO MAINTAIN COMMON AREA

The Landlord shall maintain the common area of the Fairlane Town Centre by:

- i) providing lawn maintenance and snow removal;
- ii) insuring the Building under an all perils insurance policy;
- iii) providing facilities for water to the leased premises;
- iv) paying municipal property taxes;
- v) providing the Tenant with garbage bins for refuse collection.

ARTICLE SIX (6) - SIGNS, AWNINGS, CANOPIES, FIXTURES, ALTERATIONS

SECTION 6.01 - INSTALLATION BY THE TENANT

All fixtures installed by the Tenant shall be new or completely reconditioned. The Tenant shall not make or cause to be made any alterations, additions or improvements or install or cause to be installed any trade fixtures, shades or awnings or make any changes to the store front without first obtaining the Landlord's written approval and consent. The Tenant shall present to the Landlord plans and specifications in form, content and such detail as the Landlord may reasonably require for such work at the time approval is sought.

The Tenant covenants that any work that may be done in respect of the leased premises by or on behalf of the Tenant shall not conflict or interfere with any work being done or about to be done by the Landlord in or about the Fairlane Towne Centre, whether such conflict or interference shall arise in relation to labour unions or otherwise and the Tenant shall obtain all requisite permits, licenses and inspections in respect of any such work done by or on the Tenant's behalf. Notwithstanding anything herein contained the Tenant shall make no alterations, additions or improvements that are of a structural nature or that would lessen the value or leasable area of the leased premises or the Fairlane Towne Centre, or would interfere with the usage of the common areas.

SECTION 6.02 - REMOVAL AND INSURANCE BY THE TENANT

All alterations, decorations, additions and improvements made by the Tenant or made by the Landlord on the Tenant's behalf by agreement or under this lease shall remain the property of the Tenant for the term hereof; provided such alterations, decorations, additions and improvements shall not be removed from the leased premises without prior consent in writing from the Landlord. Upon expiration of this lease, the Tenant shall remove all such alterations, decorations, additions and improvements and restore the leased premises as provided in Section 7.03 hereof; failing which all such alterations, decorations, additions and improvements shall, at the option of the Landlord, become the property of the Landlord or be removed by the Landlord at the expense of the Tenant.

SECTION 6.03 - THE TENANT SHALL DISCHARGE ALL LIENS

The Tenant shall not suffer or permit any construction or other liens to be filed or placed or exist against the title of the Fairlane Towne Centre nor against the Tenant's leasehold interest in the leased premises by reason of work, labour, services or materials supplied or claimed to have been supplied to the Tenant or anyone holding the leased premises or any part thereof through or under the Tenant. If any construction lien shall at any time be filed against the leased premises, the Tenant shall cause the same to be discharged and registered within twenty-five (25) days after the date of filing the same, failing which the Landlord may terminate the lease on five (5) days written notice or the Landlord may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit of money with the court, and in such event the Landlord shall be entitled, if the Landlord so elects, to compel the prosecution of any action for such construction lien by the lien claimant and to pay the amount of the judgement, if any, in favour of the lien claimant with interest, costs and allowances. Any amount paid by the Landlord for any of the aforesaid purposes or for the satisfaction of any other lien, not caused or claimed to be caused by the Landlord, and all reasonable legal and other expenses of the Landlord, including reasonable counsel fees, in defending any such action or in procuring the discharge of such lien, with all necessary disbursements in connection therewith, with interest thereon at the rate of Twenty-Four (24%) percent per annum from the date of payment shall be repaid by the Tenant on demand, and if unpaid may be treated as additional rent as provided in this lease.

SECTION 6.04 - SIGNS, AWNINGS, CANOPIES AND ADVERTISING

Subject to Section 6.05 infra, the Tenant acknowledges and agrees that no sign may be affixed to the exterior of the leased premises or lettering placed upon the glass plate portions of same without first obtaining the Landlord's consent thereto, which consent may not be arbitrarily withheld and the Tenant further agrees to install and maintain such sign, awning, canopy, decoration, lettering, advertising matter or other thing as may be approved, in good condition and repair at all times and to conform with laws and regulations of governmental authority.

The Tenant shall keep in good repair and maintain the fascia sign bearing the Tenant's name on the exterior of building "A".

SECTION 6.05 - PYLON SIGN

The Landlord agrees to allow the Tenant the use of the pylon sign for the term of the lease upon payment of a monthly fee for a size having dimensions of two (2) feet by six (6) feet of fifty (\$50.00) Dollars per month or a size having dimensions of four (4) feet by six (6) feet or alternatively two (2) feet by twelve (12) feet upon payment of the sum of One hundred (\$100.00)

Dollars per month; Provided further that against prepayment of twelve (12) months rental in advance the Landlord will provide the tenant with a ten (10%) percent discount.

ARTICLE SEVEN (7) - MAINTENANCE AND REPAIR OF LEASED PREMISES

SECTION 7.01 - MAINTENANCE AND REPAIR BY THE TENANT

The Tenant covenants with the Landlord that, throughout the term of the lease and any renewals, it shall maintain and repair the whole of the leased premises and all fixtures and equipment therein in good order, first class condition and repair as determined by the Landlord, acting reasonably, damage by fire, lightning and tempest only excepted.

The Tenant, during the term of the lease, and any renewal term, shall maintain, repair and replace as and when necessary the interior of the leased premises including but not limited to all heating, cooling, ventilating and mechanical, plumbing and electrical facilities serving the leased premises. Further, the Tenant shall enter into maintenance agreements and pest control agreements as approved and recommended by the Landlord for the maintenance and servicing of all heating, cooling and ventilating equipment and all or any part of the leased premises, with contractors approved by the Landlord. The Landlord may, at it's option, elect to carry out all maintenance of any repairs to the heating, ventilation and air-conditioning equipment and facilities serving the leased premises. The Tenant shall be responsible for the operation, maintenance, repair and replacement of any heating, ventilation and air-conditioning units, located in the leased premises.

All work performed on the leased premises pursuant to this lease, or authorized by this lease, shall be performed diligently and done in good and workmanlike manner, and only with materials of good quality. The Tenant shall make all alterations, additions or repairs to the leased premises or the improvements or facilities erected on the leased premises required by and in accordance with the provisions of any valid law, ordinance, statute, order or regulation now or hereafter made or issued by any federal, provincial, county, local or other governmental agency or entity; and shall observe and comply with all valid laws, ordinances, statutes, orders, and regulations now or hereafter made or issued respecting the leased premises, or the improvements of facilities erected on the leased premises.

SECTION 7.02 - MAINTENANCE BY THE LANDLORD

If, after written notice delivered by the Landlord to the Tenant giving the Tenant reasonable time, the Tenant refuses or neglects to repair properly and promptly as required hereunder and to the reasonable satisfaction of the Landlord, the Landlord may make such repairs without liability to the Tenant for any loss or damage that may accrue to the Tenant's merchandise, fixtures or other property or to the Tenant's business by reason thereof, and upon completion thereof, the Tenant shall pay the Landlord's costs for making such repairs plus fifteen (15%) percent for overhead, upon presentation of a bill therefore, as additional rent. Said bill shall include interest at twenty-four (24%) percent per annum on said cost from date of completion of the repairs by the Landlord.

SECTION 7.03 - SURRENDER OF PREMISES

The Tenant covenants that it will leave the leased premises in good repair. Without limiting the generality of the foregoing, it is agreed that at the expiration of the tenancy hereby created, the Tenant shall surrender the leased premises in the same condition as the leased premises were in upon delivery of possession thereto under this lease, damages and repairs covered by the Landlord's insurance policies only excepted, and shall surrender all keys for the leased premises to the Landlord at the place then fixed for the payment of rent. The Tenant's obligations to observe or perform this covenant shall survive the expiration or other termination of the term of this lease.

SECTION 7.04 - RULES AND REGULATIONS

Rules and regulations as adopted and promulgated by the Landlord from time to time are hereby made a part of this lease, and Tenant agrees to comply with and observe the same. The Tenant's

failure to keep and observe said rules and regulations shall constitute a breach of this lease in a manner as if the same were contained herein as covenants. The Landlord shall not be responsible to the Tenant for non-observance or violation of any of the provisions of such rules and regulations or of the terms of any other lease of premises in the Fairlane Towne Centre and the Landlord shall be under no obligation to enforce any such provisions.

The Tenant agrees as follows, subject to the foregoing:

- (1) All loading and unloading of goods shall be done only through the entrances, designated for such purpose by the Landlord.
- (2) The delivery or shipping of merchandise, supplies and fixtures to and from the leased premises shall be subject to such rules and regulations as in the judgement of the Landlord are necessary for the proper operation of the leased premises and/or the Fairlane Towne Centre.
- (3) All garbage and refuse shall be kept in the kind of container specified by the Landlord, and shall be placed outside the leased premises prepared for collection in the manner and at the times and places specified by the Landlord. The Tenant shall pay the cost of removal of any of the Tenant's refuse or rubbish.
- (4) No aerial shall be erected on the roof or exterior walls of the leased premises, or on the Fairlane Towne Centre, without, in each instance, obtaining the written consent of the Landlord. Any aerial so installed without such written consent, shall be subject to removal by the Landlord at the expense of the Tenant without notice at any time.
- (5) No loudspeakers, televisions, phonographs, radios, tape recorders, or other devices shall be used in a manner so as to be heard or seen outside of the leased premises.
- (6) The Tenant shall keep the leased premises at a temperature sufficiently high to prevent freezing of water in pipes and fixtures.
- (7) The outside areas immediately adjoining the leased premises shall be kept clean and free from dirt and rubbish by the Tenant to the satisfaction of the Landlord and the Tenant shall not place or permit any obstructions or merchandise in such areas.
- (8) The Tenant and the Tenant's employees shall park their cars in the parking areas designated by the Landlord from time to time.
- (9) The plumbing facilities shall not be used for any other purpose than that for which they are built, and no foreign substance of any kind shall be thrown therein, and the expense of any breakage, stoppage or damage resulting from a violation of this provision shall be borne by the Tenant.
- (10) The Tenant shall use at the Tenant's cost such pest extermination contractor at such intervals as the Landlord may require if pest extermination is required by reason of the Tenant's use of the leased premises.
- (11) The Tenant shall not burn any trash or garbage of any kind in or about the leased premises or the Fairlane Towne Centre.

ARTICLE EIGHT (8) - INSURANCE AND INDEMNITY

SECTION 8.01 - LIABILITY INSURANCE

The Tenant shall, during the entire term hereof, keep in full force and effect, a policy of public liability and property damage insurance with companies qualified to do business in the Province of Ontario with respect to the leased premises, the sidewalks in front of the leased premises and the business operated by the Tenant in the leased premises in which the limit of public liability shall not be less than ONE MILLION DOLLARS (\$1,000,000.00) and in which the property damage liability shall not be less than ONE MILLION DOLLARS (\$1,000,000.00). In addition, the Tenant shall, during the entire term hereof keep in full force and effect, a policy of product

liability insurance in which the limits of liability shall be not less than ONE MILLION DOLLARS (\$1,000,000.00) for any one occurrence.

SECTION 8.02 - INCREASE IN FIRE INSURANCE PREMIUM

The Tenant covenants with the Landlord that the Tenant will not do or omit or permit to be done or omitted upon the leased premises anything which shall be or result in a nuisance or which shall cause any increase of premium for the fire, boiler and/or casualty rates on the leased premises, or the Fairlane Towne Centre or any part thereof above the rate for the least hazardous type of occupancy legally permitted in the leased premises and the Tenant shall pay such additional premium on the fire, boiler and/or casualty insurance policies in the event of any such increases. If notice of cancellation shall be given respecting any insurance policy or if any insurance policy upon the leased premises or the Fairlane Towne Centre or any part thereof shall be cancelled or refused to be renewed by an insurer by reason of the use of occupation of the leased premises or any part thereof or the acts of omissions of the Tenant, the Tenant shall forthwith remedy or rectify such use of occupation upon being requested to do so in writing by the Landlord, and if the Tenant shall fail to do so within twenty-four (24) hours of such written request, the Landlord shall have the right to enter the leased premises and rectify the situation, without liability to the Tenant for any loss or damage occasioned by such entry and rectification, or shall be entitled to hold the Tenant liable for any damage or loss resulting from such cancellation or refusal, or the Landlord may at its option terminate this lease forthwith by leaving upon the leased premises notice in writing and thereupon rent and any other payments for which the Tenant is liable under this lease shall be apportioned and paid in full to the date of such termination of the lease, and together with an amount equal to the minimum rent payable under paragraph 2.01 hereof for a period of one (1) year as liquidated damages, and the Tenant shall immediately deliver up possession of the leased premises to the Landlord. Bills for such additional premiums shall be rendered by the Landlord to the Tenant at such times as the Landlord may elect, and shall be due from, and payable by the Tenant when rendered, and the amount thereof shall be deemed to be, and be paid as, additional rent.

SECTION 8.03 - PLATE GLASS

The Tenant shall replace any damaged glass in the leased premises and for such purpose shall take out insurance for any and all plate and other glass damaged or broken from any cause whatsoever.

SECTION 8.04 - ALTERATIONS, ADDITIONS AND IMPROVEMENTS

The Tenant shall at all times maintain fire insurance in an amount adequate to cover the cost of replacement of all alterations, decorations, additions, and improvements made by the Tenant and all goods belonging to the Tenant in the leased premises in the event of fire or extended coverage loss.

SECTION 8.05 - POLICIES

All policies of insurance shall be in a company or companies authorized to do business in the Province of Ontario and upon terms and conditions satisfactory to the Landlord. The Landlord and the Tenant shall be named as the insured in all policies purchased by the Tenant, and the interest of all mortgagees shall be noted therein. The Tenant shall deliver to the Landlord certificates of all policies which shall contain a clause requiring the insurer to give the Landlord and mortgagees fifteen (15) days written notice of cancellation of such policies.

SECTION 8.06 - INDEMNIFICATION OF THE LANDLORD

The Tenant will indemnify the Landlord and save it harmless from and against any and all claims, actions, damages, liabilities and expenses in connection with loss of life, personal injury and or damage to the property arising from or out of any occurrence in, upon or at the leased premises, the occupancy or use by the Tenant of the leased premises or any part thereof, or occasioned wholly or in part by any act or omission of the Tenant, its agents, contractors, employees, servants, licensees or invitees. In case the Landlord shall, without fault on its part, be made a party to any litigation commenced by or against the Tenant, then the Tenant shall protect and hold the Landlord harmless and shall pay all reasonable costs, expenses and solicitors's and counsel

fees on a solicitor and his own client basis incurred or paid by the Landlord in connection with such litigation.

ARTICLE NINE (9) - UTILITIES AND TAXES

SECTION 9.01 - UTILITY CHARGES

The Tenant shall be solely responsible for and promptly pay all charges for heat, gas, electricity or any other utility used or consumed in the leased premises. Whether caused by negligence, gross negligence or omission by the Landlord, in no event shall the Landlord be liable for any injury to the Tenant, its servants, agents, employees, customers and invitees or for any injury or damage to the leased premises or to any property of the Tenant, or to any property of any other person, firm or corporation on or about the leased premises or to Tenant's business caused by an interruption or failure in the supply of any such utilities to the leased premises. If so required by the Landlord or by the utility company, separate meters shall be installed in the leased premises at the Tenant's expense.

SECTION 9.02 - TAXES

Subject to Section 2.04 the Landlord shall pay and discharge all municipal taxes levied against the Fairlane Towne Centre.

ARTICLE TEN (10) - ACKNOWLEDGEMENT OF TENANCY, ATTORNMENT, SUBORDINATION

SECTION 10.01 - ACKNOWLEDGEMENT OF TENANCY

The Tenant agrees to execute and deliver, within seven (7) calendar days of the request of the Landlord, a certificate and acknowledgement setting out:

- (a) that the Offer to Lease or lease is in full force and effect and that the Tenant is carrying on business in the premises;
- (b) that the Offer to Lease or lease is unamended, or if amended, the particulars of such amendment;
- (c) that the Landlord is not in default, or if in default, the nature of such default;
- (d) that the premises are completed and are in good condition and repair, or such other information relating to the premises as the Landlord may request;
- (e) such other matters as the Landlord may reasonably require.

If within ten (10) days after the request of the Landlord for the said certificates, the Tenant fails to deliver the same, the Tenant irrevocably appoints the Landlord as the Tenant's attorney to execute and deliver the said certificates in the name of the Tenant, and the Landlord shall be held harmless and indemnified by the Tenant for so doing.

SECTION 10.02 - SUBORDINATION AND ATTORNMENT

It is a condition of this agreement and the Tenant's rights granted hereunder, that this agreement and the lease and all of the rights of the Tenant hereunder and under the lease are subordinate to any and all mortgages, or other instruments of financing, refinancing or collateral financing, from time to time in existence against the Fairlane Towne Centre. Upon request, the Tenant will subordinate this agreement and the lease and all of its rights hereunder and under the lease in such form as the Landlord requires, to any and all mortgages, or other instruments of financing, refinancing or collateral financing, as aforesaid, and will, if requested, attorn to the holder thereof or to the registered owners of the Fairlane Towne Centre, as the case may be. If within ten (10) days after request by the Landlord to the Tenant to execute the instruments or certificates to give effect to the foregoing the Tenant has not executed same, the Tenant irrevocably appoints the Landlord as the Tenant's attorney with full power and authority to execute and deliver in the name

of the Tenant any such instruments or certificates, or the Landlord may, at its option, terminate this agreement and the lease without liability on account thereof.

Provided always that so long as the Tenant performs its covenants, its tenure as provided herein will be honoured by the Mortgagee or like Company referred to herein.

ARTICLE ELEVEN (11) - ASSIGNMENT AND SUBLETTING

SECTION 11.01 - CONSENT REQUIRED

The Tenant shall not have the right to assign or transfer or otherwise encumber the lease to another person, firm, or corporation or sublet the whole or any part of the premises without first obtaining the Landlord's consent thereto. Such consent shall not be arbitrarily withheld, except as provided for in paragraph 11.02 herein and upon delivering such consent the Tenant shall be released from its obligations under the lease. In the event that the Tenant is a corporation, the Tenant shall obtain the consent of the Landlord prior to the transfer of control of the Tenancy to any other person, firm, association or corporation, which consent shall not be arbitrarily withheld. Without limiting the generality of the foregoing, no assignment or sublease shall be effective and no consent shall be given unless the following provisions have been complied with:

- (a) There is not existing any default hereunder on the part of the Tenants;
- (b) The assignee or sublessee has assumed in writing with the Landlord the due and punctual performance and observance of all the agreements, provisions, covenants and conditions hereof on the Tenant's part to be performed or observed from and after the execution and delivery of such assignments.

The parties acknowledge that the factors, governing the granting of the Landlord's consent to any assignment or sublease shall include, without limitation, the restrictive clauses entered into with other Tenants by the Landlord, the financial background of the proposed assignee or sub-tenant or occupant, and the nature of the business of the proposed occupant. In the event that the Tenant assigns this lease or sublets as aforesaid, without the prior written consent of the Landlord, the Landlord may in its sole discretion terminate this lease forthwith without notice. The consent by the Landlord to any assignment or subletting shall not constitute a waiver of the necessity for such consent to any subsequent assignment or subletting. This prohibition against any assignment or subletting shall apply to subletting or assignment by operation of law. If this lease be assigned, or if the leased premises or any part thereof be sublet or occupied or used by anybody other than the Tenant, the Landlord may collect rent from the assignee, under-tenant or occupant, and apply the net amount collected to the rent herein reserved, but no such assignment, subletting, occupancy or collection shall be deemed a waiver of this covenant or the acceptance of the assignee under-tenant or occupancy as tenant, or a release of the Tenant hereunder from the further performance by the Tenant of covenants on the part of the Tenant herein contained. Notwithstanding any assignment or sublease, the Tenant and any guarantor(s) shall remain fully liable on this lease and shall not be released from performing any of the terms, covenants and conditions of this lease.

Any assignment of this lease if consented to by the Landlord shall be prepared by the Landlord or its solicitors and any and all legal costs and all the Landlord's administrative costs with respect thereto shall be borne by the Tenant.

SECTION 11.02 - ASSIGNMENT

The Landlord agrees that the Tenant may assign this lease to a corporation which he controls whereby the corporation and the Tenant shall continue to assume all of the obligations of the Tenant under this lease.

ARTICLE TWELVE (12) - WASTE, GOVERNMENTAL REGULATION

SECTION 12.01 - WASTE

The Tenant shall not do or suffer any waste or damage, disfiguration or injury to the leased premises or the fixtures and equipment in or serving the leased premises. The floors of the leased

premises shall not be overloaded. No part of the leased premises shall be used for any dangerous, noxious or offensive trade or business. The Tenant shall not do anything or permit anything to be brought on the leased premises which the Landlord may reasonably deem to be a nuisance. The Tenant shall take every reasonable precaution to protect the leased premises from danger of fire, water damage or the elements. The Tenant shall not allow any ashes, refuse, garbage or other loose, objectionable material to accumulate in, on or about the leased premises and will at all times keep them in a clean and wholesome condition. The Tenant shall not carry on any business or operation or permit anything to be done on the leased premises which contravenes any provision of the Environmental Protection Act, its amending or successor legislation, and shall not discharge any pollutant or contaminant into the natural environment, as those terms are defined in the Environmental Protection Act.

The Tenant shall, at its expense, dispose of all garbage, refuse and waste emanating from the leased premises by disposing of the garbage, refuse and waste in a garbage bin which will be located in an area designated by the Landlord.

ARTICLE THIRTEEN (13) - DESTRUCTION OF LEASED PREMISES

SECTION 13.01 - TOTAL OR PARTIAL DESTRUCTION OF THE LEASED PREMISES

Provided and it is hereby expressly agreed that if during the term, the leased premises are totally or partially destroyed or damaged by fire or the elements, explosion, riot, impact by aircraft or vehicles, smoke damage, sprinkler leakage, malicious damage, acts of God or the Queen's enemies or other perils in respect of which the Landlord is insured, the following provisions shall have effect:

- (a) If the leased premises are rendered partially unfit for occupancy by the Tenant, the rent hereby reserved shall abate in part only in the proportion that the Tenant bears to the whole of the leased premises or if the leased premises are rendered wholly unfit for occupancy by the Tenant, the rent hereby reserved shall be suspended in each case until the leased premises have been rebuilt and/or repaired or restored;
- (b) Notwithstanding the provisions of sub-clause (a) immediately preceding, if the leased premises in the opinion of the Landlord's architect shall be incapable of being rebuilt and/or repaired or restored with reasonable diligence within one hundred and twenty (120) days of the happening of such destruction or damage, then either the Landlord or the Tenant may at its option terminate this lease by notice in writing to the other given within thirty (30) days of the date of such destruction or damage and in the event of such notice being so given this lease shall cease and become null and void from the date of such destruction or damage and the Tenant shall immediately surrender the leased premises and all interest therein to the Landlord and the rent shall be apportioned and shall be payable by the Tenant only to the date of such destruction or damage and the Landlord may re-enter and repossess the leased premises discharged of this lease; but if within the said period of thirty (30) days neither the Tenant nor the Landlord shall give notice terminating this lease as aforesaid or if within the said period the Landlord and Tenant shall agree not to give such notice, then upon the expiration of the said period of days or upon the Landlord and Tenant having agreed as aforesaid, whichever shall be the sooner, the Landlord shall with reasonable promptitude proceed to repair or restore the leased premises; and
- (c) If the leased premises shall be capable, with reasonable diligence, of being rebuilt and/or repaired and restored within one hundred and eighty (180) days of the happening of such destruction or damage, then the Landlord shall rebuild and/or restore or repair the leased premises with all speed within the aforesaid one hundred and eighty (180) days;
- (d) The certificates of the Landlord's architect or contractor shall bind the parties as to the due completion of repairs.

SECTION 13.02 - TOTAL OR PARTIAL DESTRUCTION OF FAIRLANE TOWNE CENTRE

In the event that thirty (30%) percent or more of the rentable area of building "A" forming part of the Fairlane Towne Centre shall be damaged or destroyed by fire or cause rendering the same unfit for occupancy, notwithstanding that the leased premises may be unaffected by such fire or other cause, the Landlord shall have the right, to be exercised by notice in writing delivered to the Tenant within sixty (60) days from and after said occurrence, to elect to cancel and terminate this lease. Upon the giving of such notice to the Tenant, the term of this lease shall expire by lapse of time upon the third day after such notice is given, and the Tenant shall vacate the leased premises and surrender the same to the Landlord.

SECTION 13.03 - RETENTION OF INSURANCE PROCEEDS

Notwithstanding anything hereinbefore contained, the Landlord shall be entitled to retain all amounts payable to it under any rental income insurance.

ARTICLE FOURTEEN (14) - DEFAULT OF THE TENANT

SECTION 14.01 - RIGHT TO RE-ENTER

Proviso for re-entry by the Landlord on non-payment of rent or non-performance of the covenants; provided however, that if the Tenant shall fail to comply with any of its covenants hereunder, except as to its covenants to pay rent and/or additional rent and except as to assignment or subletting of the leased premises, the Landlord shall give to the Tenant notice in writing stating the default with reasonable particulars requiring it to be remedied, and if such default is not remedied by the Tenant within ten (10) days after receipt of such notice, the Landlord at its option may either enter the leased premises or any part thereof in the name of the whole and repossess them and/or take such steps as may be necessary to remedy and correct such default and recover its costs and expenses incurred in so doing from the Tenant as additional rent. The Tenant agrees that on the Landlord becoming entitled to re-enter the leased premises under any of the provisions of this lease, the Landlord, in addition to all other rights, shall have the right to enter the leased premises as the agent of the Tenant either by force or otherwise, without being liable for any prosecution therefore, and to re-let the leased premises as the agent of the Tenant, and to receive the rent therefore, and as the agent of the Tenant, to take possession of any furniture or other property on the leased 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 leased premises on account of the rent under this lease, and the Tenant shall be liable to the Landlord for the deficiency, if any.

SECTION 14.02 - RIGHT TO RE-LET

Should the Landlord elect to re-enter, as herein provided or should it take possession pursuant to legal proceedings or pursuant to any notice provided for by law, it may either terminate this lease, or it may from time to time without terminating this lease, make such alterations and repairs as may be necessary in order to relet the leased premises, or any part thereof as agent for the Tenant for such term or terms (which may be for a term extending beyond the term of this lease) and at such rental or rentals and upon such other terms and conditions as the Landlord in its sole discretion may deem advisable; upon such reletting, all rentals received by the Landlord from such reletting shall be applied, first, to the payment of the indebtedness other than rent due hereunder from the Tenant to the Landlord; second, to the payment of any costs and expenses of such reletting, including brokerage fees and solicitors' fees and of costs of such alterations and repairs; third, to the payment of rent due and unpaid hereunder. The residue, if any, shall be held by the Landlord and applied in payment of future rent as the same may become due and payable hereunder. If such rentals received from such reletting during any month be less than that to be paid during that month by the Tenant hereunder, the Tenant shall pay any such deficiency to the Landlord. Such deficiency shall be calculated and paid monthly. No such re-entry or taking possession of the leased premises by the Landlord shall be construed as an election on its part to terminate this lease unless a written notice of such intention be given to the Tenant or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, the Landlord may at any time thereafter elect to terminate this lease for such previous breach. In addition to any other remedies it may have, it may recover from the

Tenant all damages it may incur by reason of such breach, including the cost of recovering the leased premises, and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this lease for the remainder of the term hereof over the then reasonable rental value of the leased premises for the remainder of the term hereof, all of which amounts shall be immediately due and payable from the Tenant to the Landlord. In determining the rent which would be payable by the Tenant hereunder, subsequent to default, the annual rent for each year of the unexpired term shall be equal to the average annual fixed minimum rent and percentage rent paid by the Tenant from the lease commencement date to the time of default or during the preceding two (2) years, whichever period is shorter.

SECTION 14.03 - LEGAL EXPENSES

In case suit shall be brought for recovery of possession of the leased premises, for the recovery of rent or any other amount due under the provisions of this lease, or because of the breach of any other covenant herein contained on the part of the Tenant to be kept or performed and a breach shall be established, the Tenant shall pay to the Landlord all expenses incurred therefore, including solicitors' and counsel fees on a solicitor and his own client basis.

SECTION 14.04 - BANKRUPTCY OR RECEIVERSHIP

The Tenant covenants and agrees that if the term, of any of the goods and chattels of the Tenant on the leased premises shall, at any time during the said term, be seized or taken in execution or attachment by a creditor of the Tenant, or if the Tenant shall make any assignment for the benefit of creditors or any bulk sale or, become bankrupt or insolvent, or if Tenant shall take the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors, or if a private or duly Court appointed Receiver-Manager or Receiver-Manager-Agent is appointed to take possession of the Tenant's property or assets, or if any order shall be made for the winding up of the Tenant, or if the leased premises shall, without the written consent of the Landlord become and remain vacant or unopen for a period of ten (10) days, or be used by any other persons other than such as are entitled to use them under the terms of this lease, or if the Tenant shall without the written consent of the Landlord abandon or attempt to abandon the leased premises, or attempt to sell or dispose of goods or chattels of the Tenant, or to remove them or any of them from the leased premises so that there would not in the event of such abandonment, sale, or disposal or removal be sufficient goods on the leased premises subject to distress to satisfy the rent above due or accruing due, then and in every such case the then current month's rent and the next ensuing three (3) months' rent shall immediately become due and be paid and the Landlord may re-enter and take possession of the leased premises as though the Tenant or the servants of the Tenant or any other occupant of the leased premises were holding over after the expiration of the said term and the said term shall, at the option of the Landlord, forthwith become forfeited and determined, and in every one of the cases above, such accelerated rent shall be recoverable by the Landlord in the same manner as the rent hereby reserved, and as if rent were in arrears and the said option shall be deemed to have alterations, improvements or additions are made with reasonable dispatch.

SECTION 14.05 - THE LANDLORD MAY PERFORM COVENANTS

If the Tenant shall fail to perform any of its covenants or obligations under or in respect to this lease, the Landlord may from time to time at its discretion, perform or cause to be performed any of such covenants or obligations, or any part thereof and for such purpose may do such things upon or in respect of the leased premises or any part thereof as the Landlord may consider requisite or necessary.

All expenses incurred and expenditures made by or on behalf of the Landlord under this Article shall be forthwith paid by the Tenant and 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.

SECTION 14.06 - LANDLORD MAY FOLLOW CHATTELS

Provided that in case of removal by the Tenant of the goods and chattels of the Tenant from the leased premises, the Landlord may follow the same for thirty (30) days in the same manner as is provided for the in the Landlord and Tenant Act, R.S.O. 1990, as amended.

SECTION 14.07 - WAIVER OF EXEMPTION

The Tenant hereby covenants and agrees with the Landlord in consideration of the Premises and of the leasing and letting by the Landlord to the Tenant of the leased premises for the term hereby created (and it is upon that express understanding that these presents are entered into) that notwithstanding anything contained in the Landlord and Tenant Act, R.S.O. 1990, or in any other Statute which may hereafter be passed to take the place of the said Act or to amend the same, none of the goods or chattels of the said Tenant at any time during the continuance of the term hereby created on the leased premises shall be exempt from levy by distress for rent in arrears by the Tenant as provided for by any Section or Sections of the said Act, or any amendment or amendments thereto.

ARTICLE FIFTEEN (15) - ACCESS BY THE LANDLORD**SECTION 15.01 - RIGHT OF ENTRY**

- (a) The Landlord and any person authorized by the Landlord shall have the right to use, install, maintain and/or repair pipes, wires, ducts or other installations in, under or through the leased premises for or in connection with the supply of any services to the leased premises or any other premises or buildings in the Fairlane Towne Centre. Such services shall include (without limiting the generality of the foregoing) gas, electricity, water, sanitation, heat, ventilation, air-conditioning;
- (b) When necessary by reason of accident or other cause or in order to make any repairs, alterations or improvements to the leased premises or to other portions of the Fairlane Towne Centre, the Landlord may cause such reasonable and temporary obstruction of common areas as may be necessary and may interrupt or suspend the supply to the leased premises of electricity, water and other services where necessary and until said repairs, alterations, improvements and additions shall have been completed. There shall be no abatement in rent because of any such obstruction, interruption or suspension provided that such repairs, alterations, improvements or additions are made with reasonable dispatch;
- (c) The Landlord or its agents shall have the right to enter upon the leased premises at all reasonable times to view the state of repair, condition and use thereof and to make such decorations as it may deem advisable and the Landlord or its agents shall be allowed to take all material into and upon the leased premises that may be required therefore without the same constituting any eviction of the Tenant. The rent hereunder, shall in no way abate while such decorations, repairs, alterations, improvements or additions are being made by reason of loss or interruption of the business of the Tenant because of the execution of any such work;
- (d) The Landlord shall not be liable to the Tenant for any interference or inconvenience caused by any additional construction or repairs carried out as expeditiously as is reasonably possible;
- (e) During the six (6) months prior to the expiration of the term of this lease, the Landlord may exhibit the leased premises to prospective tenants or purchasers, and place upon the leased premises the usual notice "For Lease", "For Rent" or "For Sale" which notices the Tenant shall permit to remain where placed without molestation;
- (f) If the Tenant shall not be personally present to open and permit an entry into the leased premises, at any time, when for any reason an entry therein shall be necessary or permissible, the Landlord or the Landlord's agents may enter the same by a master key, or may forcibly enter the same without rendering Landlord or such agents liable, and without in any manner affecting the obligations and covenants of this lease.
- (g) Nothing in this Section contained however, shall be deemed or construed to impose upon the Landlord any obligations, responsibility or liability whatsoever, for the care, maintenance or repair of the building or any part thereof, except as otherwise in this lease specifically provided.

ARTICLE SIXTEEN (16) - THE TENANT'S PROPERTY AND BUSINESS

SECTION 16.01 - TAXES ON LEASEHOLD

The Tenant shall be responsible for and shall pay before delinquency, all municipal, county, provincial or federal taxes assessed during the term of this lease against any leasehold interest or personal property of any kind, owned by or placed in, upon or about the leased premises by the Tenant.

SECTION 16.02 - LOSS AND DAMAGE

The Landlord shall not be liable for any loss, injury or damage from any cause whatsoever (including negligence or gross negligence) to the Tenant or to other persons or property wheresoever situate except where Landlord is responsible. Without limiting the generality of the foregoing, the Landlord shall not be liable for any such damage caused by anything done or omitted to be done by other tenants of the Fairlane Towne Centre or persons in the leased premises, occupants of adjacent property, of the Fairlane Towne Centre, or the public, or caused by operations in construction of any private, public or quasi-public work.

SECTION 16.03 - NOTICE BY TENANT

The Tenant shall give immediate notice to the Landlord in case of fire or accidents in the leased premises or in the building of which the leased premises are a part or of defects therein or in any fixtures or equipment therein.

ARTICLE SEVENTEEN (17) - HOLDING OVER, RENEWAL AND SUCCESSORS

SECTION 17.01 - HOLDING OVER

In the event that the Tenant remains in possession of the leased premises after the end of the term hereof and without the execution and delivery of a notice of renewal if granted hereunder, if a right of renewal is granted, there shall be no tacit renewal of this lease and the term hereby granted and the Tenant shall be deemed to be occupying the leased premises as a Tenant from month to month, and otherwise upon the same terms and conditions as set forth in this lease, so far as applicable.

SECTION 17.02 - RENEWAL

- (a) The Tenant, provided no default has occurred during the initial term of the lease, shall have the right to renew the lease at the expiration of the term of this lease for a further period of five (5) years at a minimum rent to be established as hereinafter provided but otherwise under and subject to the additional and percentage rental covenants, provisos and agreements contained in the lease for the original term except as to further right to renewal and such right shall be exercised by written notice to the Landlord no later than three (3) month(s) before the expiration of the said original term, failing which this right to renew shall be null and void.
- (b) The amount of the annual minimum rent for each renewal term shall be established by mutual agreement of the parties hereto; provided however, that if agreement is not reached by the parties by a date one (1) month(s) before the expiration of the term, either party shall be entitled to give the other party notice thereof and demand arbitration thereof pursuant to the Arbitration Act, R.S.O. 1990.
- (c) The parties hereto agree that in the event that the rental for the renewal term shall not be established before the commencement of the renewal term, the Tenant shall continue to pay the rent, and all other charges and additional rental set out herein, until such time as the rental for the renewal period is established and upon the establishment of the rental for the renewal term shall be retroactively adjusted to the date of commencement of the renewal term, and any deficiency of rental shall immediately be paid by the Tenant to the said Landlord, failing which the Landlord shall be entitled to all remedies granted hereunder for breach of the lease.

SECTION 17.03 - SUCCESSORS

All rights and liabilities herein given to or imposed upon the respective parties hereto, shall extend to and bind the several respective heirs, executors, administrators, successors and assigns of the said parties; and if the Tenant is more than one person from a corporation, they shall all be bound jointly and severally by the terms, covenants and agreements herein. Subject to paragraph 11.02 herein, the Tenant shall not assign or otherwise transfer this agreement and all rights hereunder shall not enure to the benefit of any assignee or successor of the Tenant. This agreement shall enure to the benefit of the Landlord's successors and assigns. If the leased premises are sold, then the Landlord shall be released at the time of completion of such sale from all of its covenants and obligations set out in this lease.

ARTICLE EIGHTEEN (18) - QUIET ENJOYMENT**SECTION 18.01 - THE LANDLORD'S COVENANT**

The Landlord covenants with the Tenant for quiet enjoyment.

SECTION 18.02 - RESTRICTIVE COVENANT

The Landlord covenants and agrees that for so long as the Tenant leases, uses or occupies the leased premises, the Landlord shall not lease any part of the Fairlane Towne Centre or allow any part of the Fairlane Towne Centre to be used or occupied for any uses set out in Section 4.01, supra.

ARTICLE NINETEEN (19) - MISCELLANEOUS**SECTION 19.01 - WAIVER**

Failure by the Landlord to require performance of any term, covenant or condition herein contained, shall not be deemed to be a waiver of such term, covenant or condition or of any subsequent breach of the same or of any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by the Landlord shall not be deemed to be a waiver of any preceding breach by the Tenant of any term, covenant or condition of this lease, other than the failure of the Tenant to pay the particular rent so accepted, regardless of the Landlord's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this lease shall be deemed to have been waived by the Landlord, unless such waiver be in writing by the Landlord.

SECTION 19.02 - ACCORD AND SATISFACTION

No payment by the Tenant or receipt by the Landlord of a lesser amount than the monthly rent herein stipulated shall be deemed to be other than on account of the earlier stipulated rent, nor shall any endorsement or statement or any cheque or any letter accompanying any cheque or notation on any cheque or payment as rent be deemed an accord and satisfaction and the Landlord may accept such cheque or payment without prejudice to the Landlord's right to recover the balance of such rent or pursue any other remedy provided in this lease.

SECTION 19.03 - ENTIRE AGREEMENT

This lease and the Schedules if any, attached hereto and forming a part hereof, set forth all the covenants, promises, agreements, conditions and understandings between the Landlord and the Tenant concerning the leased premises and there are no covenants, promises, agreements, conditions or representations, either oral or written between them other than are herein and in the said Schedules, if any, set forth. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this lease shall be binding upon the Landlord or the Tenant unless reduced to writing and signed by them.

SECTION 19.04 - NO PARTNERSHIP

The Landlord does not, in any way or for any purpose, become a partner of the Tenant in the conduct of its business, or otherwise, or joint venture or a member of a joint enterprise with the Tenant.

SECTION 19.05 - FORCE MAJEURE

In the event that either party hereto shall be delayed or hindered in or prevented from the performance of any act required hereunder, by reason of strikes, lock-outs, labour troubles, inability to procure materials, failure of power, riots, insurrection, war or other reason of a like nature not the fault of the party delayed in performing work or doing acts required under the terms of this lease, then performance of such act shall be excused for the period of the delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. Notwithstanding anything herein contained, the provisions of this Section 19.05 shall not operate to excuse the Tenant from the prompt and timely payment of fixed minimum rent, additional rent or any other payments required by the terms of this lease, nor entitle the Tenant to compensation for any inconvenience, nuisance or discomfort thereby occasioned.

SECTION 19.06 - NOTICES

All notices or other documents required which may be given under this agreement to lease shall be in writing duly signed by the party giving such notice and transmitted by registered or certified mail, telegraph or telex addressed as follows:

TO THE TENANT: 1614 LESPERANCE ROAD
TECUMSEH, ONTARIO
N8N 1Y3

TO THE LANDLORD: 1614 LESPERANCE ROAD
TECUMSEH, ONTARIO
N8N 1Y3

Any notice or document so given shall be deemed to have been received on the third business day following the date of mailing if sent by registered mail or certified mail, but shall be deemed to have been received on the next business day if transmitted by telex or telegram. Any party may from time to time by notice given as provided above, change its address for the purpose of this clause.

SECTION 19.07 - PLACE FOR PAYMENT OF RENT

The Tenant shall pay the rent, including all additional rent, at the office of the Landlord specified in Section 19.06 hereof or to such manner, or at such place or places as the Landlord may designate from time to time by notice in writing.

SECTION 19.08 - REGISTRATION

The Tenant shall not register this lease without the written consent of the Landlord. However, upon the request of either party hereto, the other party shall join in the execution of a memorandum or so called "short form" of this lease for the purpose of registration. Said memorandum or short form shall describe the parties, the leased premises and the terms of this lease and shall be prepared and registered at the expense of the Tenant.

SECTION 19.09 - GOVERNING LAW

This lease is to be governed by and construed according to the laws of the Province of Ontario.

SECTION 19.10 - OVERDUE AMOUNTS

In the event that any payments required to be made by the Tenant to the Landlord hereunder are not paid when due, then interest shall be paid at the rate of two (2%) percent per month from the date when such overdue amounts were due to the date when such overdue amounts are paid, and

such interest shall be collectable as additional rent with the next instalment of rent thereafter falling due hereunder, or at the time the overdue amounts are paid, whichever is the earlier, but nothing herein contained shall be deemed to suspend or delay the payment of any amount of money or charge at the time the same becomes due and payable hereunder, or limit any other remedy of the Landlord.

SECTION 19.11 - CAPTIONS AND SECTION NUMBERS

The index, captions, section numbers, and article numbers appearing in this lease are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of such sections or articles of this lease, nor in any way affect this lease.

SECTION 19.12 - THE TENANT DEFINED, USE OF PRONOUN

The word "Tenant" shall be deemed and taken to mean each and every person or party mentioned as a Tenant herein, be the same one or more; and if there shall be more than one Tenant, any notice required or permitted by the terms of this lease may be given by or to any one thereof, and shall have the same force and effect as if given by or to all thereof. The use of the neuter singular pronoun to refer to the Landlord or the Tenant shall be deemed a proper reference even though the Landlord or the Tenant may be an individual, a partnership, a corporation, or a group of two or more individuals or corporations. The necessary grammatical changes required to make the provisions of this lease apply to the plural sense where there is more than one Landlord or Tenant and to either corporation, association, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed. If more than one Tenant is named, the liability hereunder of those named shall be joint and several.

SECTION 19.13 - LANDLORD TO INCLUDE REPRESENTATIVES

Wherever the word "Landlord" is used in the present lease, it shall be deemed to include the Landlord and its duly authorized representatives.

SECTION 19.14 - PARTIAL INVALIDITY

If any term, covenant or condition of this lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this lease and/or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant or condition of this lease shall be separately valid and enforceable to the fullest extent permitted by law.

SECTION 19.15 - NO OPTION

The submission of this lease for examination does not constitute a reservation of or option for the leased premises and this lease becomes effective as a lease only upon execution and delivery thereof by the Landlord and the Tenant.

SECTION 19.16 - THE PLANNING ACT

This lease is entered into subject to the condition that it is to be effective only on obtaining the consent required under the Planning Act, R.S.O. 1990, as amended, if such consent is required. If any such consent is required, it shall be obtained by the Landlord at the expense of the Tenant and until such consent is obtained, the term hereof, including options, if any, shall be read as not exceeding twenty one (21) years less one day and in the event such consent is not obtained, the term hereof, including options, if any, shall not exceed twenty one (21) years less one day.

SECTION 19.17 - NO ABATEMENT

All rent required to be paid by the Tenant hereunder shall be paid without any deduction, abatement or set off whatsoever; it being the intention of this lease that all expenses, costs, payments and outgoings incurred in respect of the lands, the office building and any other improvements on the lands or for any other matter or thing affecting the lands, shall (unless otherwise expressly stipulated herein to the contrary) be borne by the Tenant: that the rent herein

provided shall be absolutely net to the Landlord and free of all abatement, set off, or deduction or realty taxes, charges, rates, assessments, expenses, costs, payments or outgoings of every nature arising from or related to the lands or any improvements thereon; and that the Tenant shall pay all such taxes, charges, rates, assessments, expenses, costs, payments and outgoings.

SECTION 19.18 - POST-DATED CHEQUES

The Tenant shall, at Landlord's request on or before the lease commencement date, provide the Landlord with post-dated cheques for the first year's minimum rent plus estimated annual additional rent. Thereafter the Tenant shall, on the anniversary date of the lease commencement date deliver post-dated monthly cheques for the minimum rent and one twelfth (1/12) of estimated annual additional rent. Failure to deliver post-dated cheques as aforesaid, shall constitute a breach of a covenant of this lease.

SECTION 19.19 - DISHONoured CHEQUES

As compensation to the Landlord for inconvenience and expense, the Tenant agrees to pay to the Landlord the sum of Twenty five Dollars (\$25.00) for each cheque which is dishonoured or returned "N.S.F." from the Tenant's Bank.

SECTION 19.20 - TIME OF ESSENCE

Time shall be of the essence of this lease and every part thereof.

SECTION 19.21 - FINANCIAL INFORMATION

~~The Tenant shall upon request provide the Landlord with such information as to the Tenant's or the Guarantor's financial standing and corporate organization as the Landlord or any mortgagee requires. Failure of the Tenant to comply with the Landlord's request herein constitutes a default under this agreement and the Landlord is entitled to terminate this agreement and all of the rights of the Tenant hereunder, by written notice.~~

SECTION 19.22 - G.S.T.

Unless otherwise provided to the contrary the payment of all monies under this lease shall be exclusive of the sales tax levied under the provisions of the Excise Tax Act and commonly referred to as "G.S.T."

SECTION 19.23 - LANDLORD'S WORK

The Landlord shall be responsible for and complete the work as set forth in Schedule "C" in a good and workmanlike manner.

SECTION 19.24 - TENANT'S WORK

The Tenant shall be responsible at its expense for and complete the work as set forth in Schedule "D" in a good and workmanlike manner.

SECTION 19.25 - HANDICAPPED PARKING AREA

The Landlord shall designate the area for disabled parking at locations in close proximity to the lease premises.

SECTION 19.27 - GUARANTOR

To induce the Landlord to execute and deliver this lease and in consideration of the execution and delivery thereof by the Landlord, the Guarantor, as principal and not as surety, hereby covenants with the Landlord that:

- (a) The Tenant named in the lease shall duly perform and observe each and every covenant, obligation and agreement in this lease on the part of the Tenant to be performed and

observed, including the payment of all Rent and all other payments agreed to be paid or payable under the lease on the days and at the times and in the manner therein specified, and that if for any reason including the insolvency or bankruptcy of the Tenant, the Tenant shall fail to pay the Rent or other sums provided to be due and payable or makes default in the performance or observance of any of the covenants, obligations or agreements which under the terms of the lease are to be performed, or observed by the Tenant, the Guarantor shall forthwith pay to the Landlord on demand such Rent and other sums in respect of which such default shall have occurred and all damages that may arise in consequence of the non-observance or non-performance of any of the said covenants, obligations or agreements.

- (b) The Guarantor is jointly and severally bound with the Tenant and the Landlord shall not be required to proceed against the Tenant or to exhaust any security held from the Tenant or to pursue any other remedy whatsoever which may be available to the Landlord before proceeding against the Guarantor, and the Guarantor hereby waives any right to require the Landlord to do so.
- (c) No neglect or forbearance of the Landlord in endeavoring to obtain payment of the Rent reserved in the lease or other payments required to be made under the provisions of the lease as and when they become due, no delay of the Landlord in taking any steps to enforce performance or observance of the several covenants, obligations or agreements contained in the lease to be performed or observed by the Tenant, no extension or extensions of time which may be given by the Landlord from time to time to the Tenant, and no other act or failure to act by the Landlord shall release, discharge or in any way reduce the obligations of the Guarantor under its covenants herein contained.
- (d) In the event of termination of the lease, except by surrender accepted by the Landlord, or in the event of disclaimer of the lease pursuant to any statute, then, at the option of the Landlord to be exercised at any time within six (6) months thereafter the Guarantor shall execute a new lease of the Premises between the Landlord and the Guarantor as tenant for a term equal in duration to the residue of the Term of the lease remaining unexpired at the date of such termination or such disclaimer. Such new lease shall contain the same landlord's and tenant's obligations respectively and the same covenants, agreements, terms and conditions in all obligations, agreements, terms and conditions in all respects (including the provision for re-entry) as are contained in this lease.

IN WITNESS WHEREOF, the Landlord and the Tenant have signed and sealed this lease as of the day and year first above written.


SIGNED, SEALED AND DELIVERED)
in the presence of)

FAIRLANE DEVELOPMENTS INC.)

Per: 
PRESIDENT)

I have the authority to bind the Corporation)

PHOENIX MEDIA GROUP INC.)


PRESIDENT)

I have the authority to bind the Corporation)


GARY BAXTER, Guarantor)

SCHEDULE "A"

Description of Lands Comprising the Fairlane Towne Centre:

Part of Lot 5, Registered Plan 395, all of Block "Z", Registered Plan 1287, Part of Lot 153, Concession 2, now Town of Tecumseh (formerly in the Township of Sandwich South), County of Essex now designated as Parts 1 to 21 both inclusive as recorded on Reference Plan 12R-16455.

SCHEDULE "C"

LANDLORD'S WORK

- (1) The Landlord shall install a two (2) by fourteen (14) foot sign box on the room of building "A" at a location approved by both the Landlord and the Tenant;
- (2) The Landlord shall install the partition walls within the leased premises to a point where the walls are capable of receiving paint, the cost for which in the sum of Three thousand (\$3,000.00) Dollars shall be shared equally by the Landlord and the Tenant;
- (3) The Landlord acknowledges receipt of the Tenant's portion in the sum of One thousand five hundred Dollars (\$1,500.00).

SCHEDULE "D"

TENANT'S WORK

- (1) To resurface the existing fascia sign;
- (2) Finish painting to the interior walls of the leased premises;
- (3) The Tenant shall be responsible for all leasehold improvements, including all wall, floor and ceiling finishes, any electrical and plumbing, other than the standard electrical and plumbing supplied by the Landlord.

DATED: June 27th, 2001

B E T W E E N:

FAIRLANE DEVELOPMENTS INC.

- AND -

PHOENIX MEDIA GROUP INC.

- AND -

GARY BAXTER

LEASE

GATTI & ASSOCIATES
Barristers and Solicitors
400-267 Pelissier Street
Windsor, Ontario
N9A 4K4

ARG/met
g:\sysdata\work\FairPho lea
spec. #021

1304+

Fairlane Developments Inc.

1014 Lospérance Rd.,
Tocumseh, Ontario
N8N 1Y3

Phone: 519-735-5300
Fax: 519-979-9762
ctur@nc@mnsi.net

Phoenix Media Group

Attention: Gary Baxter
Re: Lease dated June 27, 2001
Lease Renewal

May 26, 2006

Gary as per our conversation I have revised the rate

1200 square -

The lease is coming due on June 30, 2006.

We have looked at the rates and we have not had any increases on the base rent for 5 years and no increase on the common fees even though our taxes increased to over \$1.25 per sq.ft.

Lease Term 5 years

First 2 years of term beginning July 1, 2006 - June 30, 2008

The new Base Lease rate will be \$13.00 per sq. ft. and the common fees rate will be \$ 5.00 per sq.ft.

The balance of the 3 years of the term July 1, 2008 - June 30 2011

Base rate will be \$ 14.00 per sq.ft. and common fees \$5.00 per sq.ft. -

Your new monthly rate will be \$1800.00 plus GST of 6% \$108.00
= \$ 1,908.00 monthly .

All other conditions in the original lease remain the same.

Please provide 12 post dated cheques.

Your July 1,2006 cheque has the wrong amount as the rate is changed and so has the GST

Please sign below for acceptance.

Phoenix Media Group
Gary Baxter

June 23/06
Date

Fairlane Developments Inc
Richard St. Louis

June 23/06
Date

New Area
1700 -
419/592000
\$2691.67
+52
\$2743.67

REAL ESTATE ACKNOWLEDGEMENT

TO: CanWest MediaWorks Publications Inc. (the "Purchaser"), and its and their respective successors and assigns

FROM: Phoenix Media Group Inc. (the "Tenant")

AND FROM: Gary Baxter (the "Guarantor")

AND FROM: Fairlane Developments Inc. (the "Landlord")

RE: Unit 2, Building "A" of the Fairlane Towne Centre (the "Premises") located at 1614 Lesperance Road, in Tecumseh, Ontario (the "Property")

Whereas, the Purchaser and its respective successors and assigns shall be relying upon this Real Estate Acknowledgement in proceeding with a purchase by the Purchaser of the issued and outstanding shares of the Tenant (the successful completion of which shall be hereinafter referred to as the "Closing"), the Tenant certifies and warrants that:

1. The lease (the "Lease") of the Premises between the Landlord, the Tenant and Gary Baxter, dated the 27th day of June, 2001, was duly and validly authorized, executed and delivered by the Tenant, a complete and accurate copy of which, including a renewal of same, dated June 23, 2006, is attached hereto as Schedule A.
2. The term of the Lease expires on June 30th, 2011.
3. The current rent payable under the Lease is as follows: up to and including June 30th, 2008, \$13.00 monthly base rent per square foot, and for the balance of the term ~~(July 1, 2008 to June 30th, 2011)~~, \$14.00 monthly base rent per square foot. The monthly common area fee for the entire term is \$5.00 per square foot. The base rent and the common area fees are payable monthly in advance in accordance with the terms of the Lease, and have not been prepaid except as set forth in the Lease. There is no other amount of prepaid rent or fees presently held by the Landlord, whether as prepaid rent, security deposit or otherwise. KJH
4. The Tenant has taken possession of the Premises.
5. There is no outstanding dispute between the Landlord and the Tenant in respect of any amounts payable or any other obligations of the Landlord or the Tenant under the Lease.
6. There is no existing default by either the Landlord or the Tenant under the terms of the Lease and the Lease is in full force and effect and good standing.
7. All the rights and obligations of the Landlord and the Tenant relating to the Premises and the Property are contained in the Lease.
8. The Tenant has no abatement rights, set-offs, claims, defences or counterclaims against the Landlord in respect of the Lease or the payment of any rent or other amounts payable thereunder.
9. All work to be done by the Landlord has been completed in accordance with the terms of the Lease, there are no claims outstanding for defective workmanship and/or materials against the

Landlord in respect of such work and any applicable tenant allowances, inducements, free rent or other benefits as set out in the Lease have been paid in full by the Landlord, and no tenant inducements due to the Tenant are unpaid or remain unsatisfied.

10. As of the date hereof, the Tenant has not received any notice of any assignment of the Lease or the rents thereunder by the Landlord. As of the date hereof, the Lease has not been assigned, nor has the whole or any part of the Premises been sublet or mortgaged by the Tenant.
12. Except as provided in the Lease, the Tenant has no exclusivity right, option, right of first refusal, right of first offer, or other similar right to lease or purchase the Premises or any other space that is part of the Property.
13. There are no other terms and conditions of the Lease or any other matters which would materially and adversely affect the ability of the Tenant after the Closing to occupy the Premises and carry on its operations as it has been occupied and carried on in the ordinary course by the Tenant prior to the date hereof.

DATED Nov 16, 2007.

PHOENIX MEDIA GROUP INC.

Per: _____

Name: GARY BAXTER
Title: PRESIDENT

GARY BAXTER

Witness

The Landlord hereby acknowledges and agrees, to the extent such agreement may be required pursuant to the Lease, to the acquisition of control of the Tenant by the Purchaser and confirms that the terms and conditions of the Lease, as outlined above and as set out in the Lease, attached, shall remain in place following the Closing, assuming such Closing occurs.

FAIRLANE DEVELOPMENTS INC.

Per: _____

I/We have authority to bind the Corporation.

APPENDIX "J"

LEASE

BETWEEN

**SUN LIFE ASSURANCE COMPANY OF CANADA
and 1331430 ONTARIO INC.**

(LANDLORD)

- AND -

CANWEST MEDIAWORKS PUBLICATIONS INC.

(TENANT)

Premises:

**A Portion of the 13th Floor,
50 O'Connor Street
Ottawa, Ontario**

TABLE OF CONTENTS

ARTICLE 1 - BASIC TERMS	1
1.1 <i>Basic Terms</i>	1
ARTICLE 2 - SPECIAL PROVISIONS	2
2.1 <i>Fixturing Period</i>	2
2.2 <i>Conditions to Tenant's Rights</i>	3
2.3 <i>Option to Extend</i>	3
2.4 <i>Parking</i>	4
2.5 <i>Storage</i>	5
2.6 <i>Right of First Refusal</i>	5
2.7 <i>Rooftop Satellite</i>	6
ARTICLE 3 - DEFINITIONS AND INTERPRETATION	8
3.1 <i>Definitions</i>	8
3.2 <i>Entire Agreement, Amendments, Waiver</i>	12
3.3 <i>Acceptance and Application of Rent</i>	12
3.4 <i>General Rules of Interpretation</i>	12
3.5 <i>Successors</i>	12
ARTICLE 4 - GRANT AND TERM	13
4.1 <i>Term, Demise</i>	13
4.2 <i>Delay in Delivery of Premises</i>	13
4.3 <i>Acceptance</i>	13
4.4 <i>Quiet Enjoyment</i>	13
ARTICLE 5 - RENT	13
5.1 <i>Basic Rent</i>	13
5.2 <i>Additional Rent</i>	13
5.3 <i>Adjustment Due to Measurement</i>	13
5.4 <i>Payment of Rent - General</i>	14
5.5 <i>Payment of Additional Rent</i>	14
5.6 <i>Rent Deposit</i>	15
5.7 <i>Security Deposit</i>	15
5.8 <i>Net Lease</i>	15
ARTICLE 6 - OPERATING COSTS AND TAXES	15
6.1 <i>Property Taxes Payable by Landlord</i>	15
6.2 <i>Property Taxes Payable by Tenant</i>	15
6.3 <i>Business Taxes and Other Taxes of Tenant</i>	16
6.4 <i>Assessment Appeals</i>	16
6.5 <i>Operating Costs</i>	16
6.6 <i>Limitations on Operating Costs</i>	17
6.7 <i>Adjustments of Operating Costs</i>	18
6.8 <i>Reduction or Control of Operating Costs</i>	18
ARTICLE 7 - HVAC, UTILITIES AND OTHER LANDLORD SERVICES	19
7.1 <i>Heating, Ventilating and Air Conditioning</i>	19
7.2 <i>Electricity and Other Utilities</i>	19
7.3 <i>Special HVAC Services and Utilities and Excess Quantities</i>	20
7.4 <i>Other Landlord Services</i>	20
7.5 <i>Additional Services Provided by Landlord</i>	20
7.6 <i>Telecommunications</i>	20
7.7 <i>Signs and Premises Identification</i>	21
ARTICLE 8 - OPERATION, CONTROL AND MAINTENANCE BY LANDLORD	21
8.1 <i>Operation of the Building by Landlord</i>	21
8.2 <i>Control of the Project by Landlord</i>	21
8.3 <i>Name of Building</i>	22
8.4 <i>Maintenance and Repair by Landlord</i>	22
8.5 <i>Access by Landlord</i>	22
8.6 <i>Relocation</i>	22
ARTICLE 9 - MAINTENANCE AND ALTERATIONS BY TENANT	23
9.1 <i>Maintenance and Repair by Tenant</i>	23
9.2 <i>Alterations by Tenant</i>	23
9.3 <i>Removal of Improvements and Fixtures</i>	24
9.4 <i>Liens</i>	25
9.5 <i>Notice by Tenant</i>	25

ARTICLE 10 - USE OF PREMISES	25
10.1 Permitted Use.....	25
10.2 Compliance with Laws.....	26
10.3 Nuisance, Interference, Waste, Overloading.....	27
10.4 Rules and Regulations.....	27
ARTICLE 11 - INSURANCE, LIABILITY AND INDEMNITY	27
11.1 Tenant's Insurance.....	27
11.2 Form of Tenant Policies.....	28
11.3 Certified Copies and Notice to Landlord.....	28
11.4 Landlord's Insurance.....	28
11.5 Insurance Risks.....	28
11.6 Release of Landlord.....	29
11.7 Release of Tenant.....	29
11.8 Indemnity by Tenant.....	29
ARTICLE 12 - ASSIGNMENT, SUBLETTING AND OTHER TRANSFERS	30
12.1 Transfers.....	30
12.2 Tenant's Notice, Landlord's Right to Terminate.....	31
12.3 Conditions of Transfer.....	31
12.4 Corporate Records.....	32
12.5 Permitted Transfers.....	32
12.6 No Advertising.....	32
12.7 Sales or Dispositions by Landlord.....	32
ARTICLE 13 - LANDLORD FINANCING AND STATUS CERTIFICATES	33
13.1 Subordination and Postponement.....	33
13.2 Assignment.....	33
13.3 Status Certificates.....	33
13.4 Reliance.....	34
ARTICLE 14 - DAMAGE, DESTRUCTION, DEMOLITION, EXPROPRIATION	34
14.1 Damage to Premises.....	34
14.2 Abatement.....	34
14.3 Termination Rights.....	35
14.4 Landlord's Rights on Rebuilding.....	35
14.5 Landlord's Demolition Rights.....	35
14.6 Expropriation.....	35
ARTICLE 15 - DEFAULT AND REMEDIES	35
15.1 Events of Default.....	35
15.2 Remedies.....	36
15.3 Distress.....	36
15.4 Interest and Costs.....	37
15.5 Remedies Cumulative.....	37
ARTICLE 16 - MISCELLANEOUS	37
16.1 Relationship of Parties.....	37
16.2 Consent Not to be Unreasonably Withheld.....	37
16.3 Overholding.....	37
16.4 Registration.....	37
16.5 Unavoidable Delay.....	37
16.6 Decisions of Experts: Arbitration.....	38
16.7 Notices.....	38
16.8 Confidentiality.....	38
16.9 Power, Capacity and Authority.....	38
16.10 Liability of Landlord.....	38
16.11 Privacy Policy.....	38
Schedule "A" - Building - Specific Information.....	40
Schedule "B" - Sketch Showing Premises.....	41
Schedule "C" - Rules and Regulations.....	41
Schedule "C" - Rules and Regulations.....	42
Schedule "D" - Indemnity Agreement - Intentionally Deleted.....	44
Schedule "E" - Landlord's Work and Tenant's Work.....	45
Schedule "F" - Power Blackouts.....	47

THIS LEASE, dated the 8th day of May, 2007, is made by the Landlord and the Tenant named in it who, in consideration of the rents, covenants and agreements contained in this Lease, covenant and agree as follows:

ARTICLE 1 - BASIC TERMS

1.1 Basic Terms

- (a) (i) Landlord: SUN LIFE ASSURANCE COMPANY OF CANADA
and 1331430 ONTARIO INC.
- (ii) Address of Landlord: c/o Bentall Real Estate Services LP
10 Carlson Court, Suite 500
Etobicoke, Ontario, M9W 6L2
Attention: Vice President, Operations
Fax: (416) 674-7738
- with a copy to:
- c/o Bentall Real Estate Services LP
50 O'Connor Street, Suite 315
Ottawa, Ontario, K1P 6L2
Attention: General Manager
Fax: (613) 236-3301
- (b) (i) Tenant: CANWEST MEDIAWORKS PUBLICATIONS INC.
- (ii) Address of Tenant: 150 Wellington Street, Suite 500
Ottawa, Ontario, K1P 5A4
Attention: Editor-in-Chief
- with a copy to:
- 1450 Don Mills Road, 2nd Floor
Don Mills, Ontario, M3B 2X7
Attention: Legal Counsel
- (c) (i) Indemnifier: n/a
- (ii) Address of Indemnifier: n/a
- (iii) Indemnity Provisions: Intentionally deleted
- (d) Project, if applicable: n/a
- (e) Building: 50 O'Connor Street, Ottawa, Ontario, K1P 6L2
- (f) Premises: A portion of the 13th floor of the Building with a Suite
Number to be designated by the Landlord
- (g) Rentable Area of Premises: Approximately nineteen thousand, four hundred and sixty-
six (19,466) square feet, subject to measurement by the
Landlord's Expert
- (h) (i) Term: Ten (10) years and two (2) months
- (ii) Commencement Date: November 1, 2007
- (iii) Expiry Date: December 31, 2017
- (i) Fixturing Period: Please see Section 2.1

(j) Basic Rent:

Time Period	Per Sq. Ft. of Rentable Area of the Premises/Year	Per Year	Per Month
November 1, 2007 to and including October 31, 2009	\$20.00	\$389,320.00	\$32,443.33
November 1, 2009 to and including October 31, 2012	\$23.00	\$447,718.00	\$37,309.83
November 1, 2012 to and including April 30, 2015	\$25.00	\$486,650.00	\$40,554.17
May 1, 2015 to and including December 31, 2017	\$27.00	\$525,582.00	\$43,798.50

(k) (i) Rent Deposit referred to in Section 5.6: Nil dollars (\$0.00)

(ii) Security Deposit referred to in Section 5.7: Nil dollars (\$0.00)

ARTICLE 2 - SPECIAL PROVISIONS

2.1 Fixturing Period

- (a) Provided that the Tenant has executed and delivered to Landlord this Lease in a form satisfactory to Landlord on or before the 5th day of June, 2007, Landlord shall use commercially reasonable efforts to have Landlord's Work (as defined in Schedule "E") in the Premises complete on or before the 5th day of June, 2007 (the "Delivery Date") but if Landlord's Work is not complete on or before the Delivery Date for any reason other than Tenant Delay (as hereinafter defined) including, without limitation, any delays in Landlord obtaining any permits whatsoever, as required by those authorities having jurisdiction thereover, to commence Landlord's Work, this Lease shall not be void or voidable and Landlord shall not be liable for any losses, costs or damages whatsoever resulting therefrom and the Delivery Date shall be deferred to such date that Landlord's Work is complete and the Commencement Date and Expiry Date shall be correspondingly delayed. To the extent any Landlord's Work is not complete on the Delivery Date, Tenant shall be granted non-exclusive possession of the Premises until Landlord's Work is complete and during such period both parties shall co-operate with each other so that the parties may complete their respective work obligations as expeditiously as possible.
- (b) If the Premises may not be turned over to Tenant on the Delivery Date as a result of Tenant's failure to deliver plans, execute and deliver the Lease on or before the 5th day of June 2007 or any other documentation contemplated hereunder or comply with any other provision hereof, or the performance of any work by Tenant or any delay therein or default or act of Tenant (collectively, "Tenant Delay"), then the Delivery Date shall be such date upon which Landlord's Work would have been complete and delivery of possession of the Premises to Tenant would have occurred but for such Tenant Delay and Tenant shall not be entitled to any abatement or reduction of Rent or other payments or any other rights in respect thereof by reason of any delay in its occupancy. For greater certainty, there shall be no delay to the Commencement Date.
- (c) Tenant shall be entitled to possession of the Premises from the Delivery Date until the date immediately preceding the Commencement Date in order to fixture the Premises for the Tenant's business and, thereafter, in order to commence carrying on business in the Premises ("Fixturing Period"). During the Fixturing Period, Tenant shall not be obligated to pay Basic Rent, Operating Costs, or Property Taxes but shall be liable for all other costs and obligations including charges for utilities and the costs of any additional services in accordance with this Lease for which Tenant will continue to be obligated to pay, and Tenant shall be subject to all the other terms and conditions of this Lease insofar as they are applicable including, without limitation, the obligation to maintain insurance, and the provisions relating to the liability of Tenant for its acts and omissions, and the acts and omissions of its servants, employees, agents, contractors, invitees, concessionaires and licensees and the indemnification of Landlord and others under this Lease. On or before the Delivery Date, Tenant shall deliver to Landlord certificate(s) evidencing the requisite insurance coverage under this Lease.

2.2 Conditions to Tenant's Rights

If:

- (a) the Tenant pays the Rent and other sums payable hereunder and performs each and every of the covenants, provisos and agreements herein contained on the part of the Tenant to be paid and performed, punctually and in accordance with the provisions of this Lease;
- (b) the Tenant has not become insolvent or bankrupt, and has not made any assignment for the benefit of creditors and has not, becoming bankrupt or insolvent, taken the benefit of any Act now or hereafter in force for bankrupt or insolvent debtors;
- (c) a petition in bankruptcy has not been filed against the Tenant and a receiving order has not been made against the Tenant, and no proceedings have been commenced respecting the winding-up or termination of the existence of the Tenant;
- (d) no receiver or other person has taken possession or effective control of the assets or business of the Tenant or a substantial portion thereof pursuant to any security or other agreement or by any other means whatsoever, and there are no outstanding writs of execution against the Tenant;
- (e) other than to a Permitted Transferee, the Tenant has not assigned this Lease or sublet or permitted a change in occupancy of any portion or portions of the Premises, and there has been no change in ownership of the majority of the capital stock of the Tenant;
- (f) at the time of exercise of the rights to which these conditions are subject, the Tenant or its Permitted Transferee is actually, physically in occupancy of the Premises for the active and diligent conduct of business in accordance with the terms of this Lease; and
- (g) the Tenant has executed and delivered to the Landlord this Lease in a form satisfactory to Landlord,

then, and only then, the Tenant shall have the rights conferred under Sections 2.3, 2.4, 2.6 and 2.7 of this Article 2.

2.3 Option to Extend

- (a) Subject to Section 2.2 of this Article 2, the Tenant shall have the option to extend this Lease for two (2) further periods of five (5) years each (each of which being hereinafter called the "Extension Term"). Each extension shall be on the same terms and conditions as contained in this Lease, except that: (i) there shall be no further right to extend after the expiry of the second Extension Term; (ii) the Basic Rent shall be such amount as determined pursuant to subsection (b) of this section; and (iii) there shall be no tenant's allowance or rent-free period for either Extension Term and the Premises shall be accepted by the Tenant in "as is" condition at the commencement of each Extension Term without the Landlord being required to perform any work. Each right to extend shall be exercisable by notice to Landlord by not later than twelve (12) months, and not earlier than eighteen (18) months, prior to the expiry of the original Term hereof or the first Extension Term, in respect of the second Extension Term, failing which such right shall be null and void and forever extinguished.
- (b) The Basic Rent for each Extension Term shall be the fair market rent for the Premises ("Market Rent"). As used herein, "Market Rent" means the annual rental which could reasonably be obtained by the Landlord for the Premises from a willing tenant or willing tenants dealing at arms' length with the Landlord in the market prevailing for a term commencing on the commencement date of the relevant Extension Term, having regard to all relevant circumstances including the size and location of the Premises, the facilities afforded, the terms of the lease thereof (including its provisions for Additional Rent), the condition of the Premises and the extent and quality of the improvements therein (disregarding the Tenant's trade fixtures and also disregarding any deficiencies in the condition and state of repair of the Premises as a result of the Tenant's failure to comply with its obligations hereunder in respect of the maintenance and repair of the Premises) and the use of the Premises and having regard to rentals currently being obtained for space in the Building and for comparable space in other similar "AA" Class buildings located in the City of Ottawa's downtown core. The Market Rent for each Extension Term shall be as agreed upon between the Landlord and the Tenant or, failing agreement by the Landlord and the Tenant by not later than three (3) months prior to the expiry of the Term hereof or the first Extension Term, as the case may be, the Market Rent shall be established in the manner set out in

subsection (c) of this section. In the event that the Basic Rent payable during either Extension Term has not been determined prior to the commencement of such Extension Term, then until such determination has been made, the Tenant shall pay Basic Rent at a rate equal to one hundred and twenty-five (125%) percent of the Basic Rent payable during the last year of the original Term hereof or the first Extension Term, as the case may be. Upon determination of the Basic Rent for the relevant Extension Term, either the Landlord shall pay to the Tenant any excess, or the Tenant shall pay to the Landlord any deficiency, in the payments of Basic Rent previously made by the Tenant.

- (c) Either the Landlord or the Tenant (the "Requesting Party") shall be entitled to notify the other party hereto (the "Receiving Party") of the name of an expert for the purpose of determining the Market Rent. Within fifteen (15) days after such notice from the Requesting Party, the Receiving Party shall notify the Requesting Party either approving the expert proposed by the Requesting Party or naming another expert for the purpose of determining the Market Rent. Should the Receiving Party fail to give notice to the Requesting party within the said fifteen (15) day period, the expert named in the notice given by the Requesting Party shall perform the expert's functions hereinafter set forth. If the Landlord and the Tenant are unable to agree upon the selection of the expert within fifteen (15) days after such notice from the Receiving Party to the Requesting Party, then either party shall be entitled to apply to a court to appoint an expert in the same manner as an arbitrator may be appointed by a court under the *Arbitration Act, 1991 (Ontario)*, as amended or replaced. The expert appointed, either by the Landlord and/or the Tenant or by a court, shall be qualified by education, experience and training to value real estate for rental purposes in the Province of Ontario and have been ordinarily engaged in the valuation of real property in the municipality in which the Project is located for at least the immediately preceding five (5) years. Within thirty (30) days after being appointed the expert shall make a determination of the Market Rent for the Extension Term, without receiving evidence from either the Landlord or the Tenant except in the case where the expert specifically requests information from both parties. The cost of such determination shall be borne equally by the Tenant and the Landlord. The determination of the expert as to the Market Rent shall be conclusive and binding upon the Landlord and the Tenant and not subject to appeal.
- (d) the Tenant shall execute extension agreements prepared by the Landlord to give effect to each of the foregoing Extension Terms.

2.4 Parking

- (a) Subject to Section 2.2 of this Article 2, commencing January 1, 2008 and throughout the balance of the Term and any extension thereof pursuant hereto, the Tenant shall have the right to use: (i) unreserved parking spaces at a ratio of one (1) unreserved parking space for every two thousand, five hundred (2,500) square feet of Rentable Area of the Premises, (ii) one (1) additional unreserved parking space and (iii) one (1) additional reserved parking space (the "Parking Spaces") within the parking facilities at the Project (the "Parking Facility"), in such locations as designated from time to time by the Landlord or the operator of the Parking Facility, and subject to the terms set out below. For each of such Parking Spaces, the Tenant shall pay to the Landlord, whether or not the Tenant actually uses the Parking Spaces or any of them, the prevailing monthly rates charged from time to time by the Landlord or the operator of the Parking Facility for the use of unreserved and reserved Parking Spaces respectively. As of the date of this Lease, the monthly rates are Two Hundred Dollars (\$200.00) per unreserved stall and Three Hundred Dollars (\$300.00) per reserved stall, each inclusive of Rental Taxes and provincial sales tax. Should additional office space be leased by the Tenant over the Term of this Lease or any renewal thereof, the Tenant shall have the option to lease additional unreserved Parking Spaces based on the ratio set forth above.
- (b) The Tenant shall ensure that the Landlord is at all times in possession of up-to-date information as to the owner, licence plate number and description of each automobile authorized to use such Parking Spaces.
- (c) The Landlord may from time to time make and amend such rules and regulations for the management and operation of the Parking Facility as the Landlord shall determine and the Tenant and all persons under its control, including without limitation all users of the Parking Spaces, shall be bound by and shall comply with all of such rules and regulations of which notice is given to the Tenant from time to time and all of such rules and regulations shall be deemed to be incorporated into and form a part of this Lease.
- (d) For emphasis only, and without affecting or limiting the meaning of any provision of this Lease, it is agreed that the following sections of the Lease apply to the rights granted to the Tenant hereunder in respect of the Parking Spaces, namely Sections 11.6 ("Release of Landlord") and 11.8 ("Indemnity by Tenant").
- (e) If the Tenant or any person permitted by the Tenant to use any of the Parking Spaces fails to comply with the provisions of this Lease in respect of the Parking Spaces, including without limitation the rules and regulations from time to time applicable to the Parking Facility, then

the Landlord shall have the right to terminate or suspend the privileges of the offending party to use the Parking Facility, provided that the exercise of such right by the Landlord shall not limit or affect the obligation of the Tenant hereunder to pay for all Parking Spaces.

- (f) No motor vehicle other than a private passenger automobile, station wagon or van shall be parked on or in any part of the Common Areas and Facilities of the Building, including without limitation the Parking Facility, nor shall any repairs other than emergency repairs immediately necessary for operation of a vehicle be made to any motor vehicle in or on any of the Common Areas and Facilities, including without limitation the Parking Facility, and no motor vehicle shall be driven on any part of the Common Areas and Facilities other than on a driveway or in the Parking Facility.
- (g) It is understood and agreed that the Landlord is not responsible for theft of or damage to the vehicle or its equipment or articles left in the vehicle.
- (h) It is understood and agreed that no vehicle powered by propane, hydrogen or natural gas are allowed in any underground portion of the Parking Facility.
- (i) In addition to any parking fees required above, the Tenant may be required to pay to the Landlord a deposit amount for each parking pass issued. Such parking deposit shall be held by the Landlord in the event that any of the parking passes so issued are damaged, lost or destroyed. Upon the expiry or earlier termination of this Lease, if the deposit amounts have not previously been deducted at any time during the Term, the deposit amounts shall be refunded to the Tenant in full upon presentation to the Landlord of the same number of parking passes originally issued to the Tenant, in good condition and repair.

2.5 Storage

The Tenant shall be entitled to lease up to approximately two hundred (200) square feet of clean, dry and secure storage space to be located in the below grade level of the Building at a gross rent during the Term, inclusive of all Operating Costs and Realty Taxes (if any) of Nineteen Dollars (\$19.00) per square foot of the storage space per annum, plus Rental Taxes exigible thereon. Such storage space shall be made available commencing during the month of January 2008 and shall be leased for the balance of the Term. The Tenant shall execute the Landlord's standard form of Storage Lease to give effect to the foregoing.

2.6 Right of First Refusal

- (a) Subject to the provisions of Section 2.2 of this Article 2 and the rights of other tenants then existing in the Building, throughout the first five (5) consecutive full twelve (12) month periods of the initial Term ("First RFR Period"), the Tenant shall have a one time only right of first refusal ("First RFR") to lease any space located on the thirteenth (13th) floor of the Building ("First RFR Space") whenever such space becomes available for re-leasing from time to time by the Landlord after any existing leases granted to other tenants of such space have expired or been terminated either by the tenant (pursuant to any rights of termination it may have under its lease) or by the Landlord (as a result of an event of default) and after any options to renew, extend or expand on the First RFR Space existing as of the date of this Lease have not been exercised or have expired.

If during the First RFR Period, the Landlord receives a bona fide letter of agreement or offer to lease all or a portion of the First RFR Space from a third party which the Landlord is willing to accept ("First Third Party Offer"), then the Landlord shall deliver a copy of the First Third Party Offer to the Tenant and the Tenant shall thereafter have five (5) business days within which to deliver written notice to the Landlord of its intent to exercise the within First RFR failing which this First RFR shall be null and void and the Landlord shall be free to accept the First Third Party Offer from the third party and this First RFR shall be thereafter null and void and of no further force or effect.

If the Tenant exercises the foregoing First RFR, it will be deemed to have leased the First RFR Space on the same terms and conditions contained in the First Third Party Offer including the same Net Effective Rent (as hereinafter defined), but excepting that the expiration of the term shall be the same as contained in this Lease for the Premises. "Net Effective Rent" shall be calculated by taking the cash flows available through the basic annual (net) rent payable over the term certain, deducting the costs of any leasehold improvement allowances, other allowances or other financial concessions, free rent and real estate commissions (collectively referred to as "incentives") which incentives (as a whole) shall be applied against the net rent cash flows with a discount rate of ten percent (10%) applied to such incentives.

- (b) Subject to the provisions of Section 2.2 of this Article 2 and the rights of other tenants then existing in the Building, from the expiry of the First RFR Period throughout the balance of the initial Term ("Second RFR Period"), the Tenant shall have a one time only right of first refusal ("Second RFR") to lease any space located on the thirteenth (13th) floor of the Building ("Second RFR Space") whenever such space becomes available for re-leasing from time to time by the Landlord after any existing leases granted to other tenants of such space have expired or been terminated either by the tenant (pursuant to any rights of termination it may have under its lease) or by the Landlord (as a

result of an event of default) and after any options to renew, extend or expand on the Second RFR Space existing as of the date of this Lease have not been exercised or have expired.

If during the Second RFR Period, the Landlord receives a bona fide letter of agreement or offer to lease all or a portion of the First RFR Space from a third party which the Landlord is willing to accept ("Second Third Party Offer"), then the Landlord shall deliver a copy of the Second Third Party Offer to the Tenant and the Tenant shall thereafter have five (5) business days within which to deliver written notice to the Landlord of its intent to exercise the within Second RFR falling which this Second RFR shall be null and void and the Landlord shall be free to accept the Second Third Party Offer from the third party and this Second RFR shall be thereafter null and void and of no further force or effect.

If the Tenant exercises the foregoing Second RFR, it will be deemed to have leased the Second RFR Space on all the same terms and conditions contained in the Second Third Party Offer, except that the expiration of the term shall be the same as contained in this Lease for the Premises.

- (c) The Tenant shall execute such documentation as is required by the Landlord to give effect to the foregoing. Any First RFR Space or Second RFR Space, as the case may be, which is made available to the Tenant under this Section 2.6 must be dealt with as a whole. The Tenant's First RFR and Second RFR pursuant to this section shall be null and void if, at any of the following times:
- (i) the time the Landlord receives the First Third Party Offer or the Second Third Party Offer, as the case may be;
 - (ii) the time the Landlord is obligated to notify the Tenant of its receipt of the First Third Party Offer or Second Third Party Offer, as the case may be; or
 - (iii) the time the Tenant is obligated to exercise its First RFR or Second RFR, as the case may be,
- the Tenant holds possession of the Premises after the expiration or sooner termination of this Lease as a holdover tenant pursuant to the provisions of Section 16.3 of this Lease.

2.7 Rooftop Satellite

Subject to the provisions of Section 2.2 of this Article 2 and subject to the Landlord's security requirements and Landlord's Rules and Regulations, Tenant shall have the non-assignable right to install two (2) communication dishes (or similar telecommunication devices) and up to two (2) remote-controlled cameras (collectively the "Communication Facility") on the roof of the Building to be used for the Tenant's own direct communication purposes. In addition Tenant may also install such communication lines, risers, cables and wires (collectively called "Wires") as may be reasonably required to connect the Communication Facility to the Premises. Such Communication Facility and the use thereof shall, in all respects, be subject to the approval of the government bodies, their agencies, others having jurisdiction and the Landlord's Architect, acting reasonably, for the Building and shall be supplied, installed, maintained and operated by the Tenant all in a manner consistent with a similar building (having regard to age, size, character and location) and subject to the following provisions:

- (a) the location, size, weight and method of installation of such Communication Facility and Wires and the plans and specifications therefor shall be subject to the Landlord's prior written approval not to be unreasonably withheld;
- (b) prior to the installation of the Communication Facility and Wires, Tenant shall obtain all approvals and permits from authorities having jurisdiction required for the erection, installation, operation and maintenance of the Communication Facility and Wires and Tenant shall submit to Landlord with its plans and specifications, proof of such approvals and permits having been obtained;
- (c) the erection, installation, operation, maintenance, repair, relocation and replacement ("Operations") of the Communication Facility and Wires shall be subject to Landlord's reasonable security requirements, rules and regulations and the provisions for "Alterations" applicable in Section 9.2 of this Lease; all of which shall, at Landlord's option, either be performed by Landlord, or performed by Persons designated by Landlord, acting reasonably, and under Landlord's supervision and, to the extent that same is performed by Landlord or under Landlord supervision, Tenant shall pay to Landlord all costs incurred by Landlord and all reasonable charges of Landlord for its own personnel plus ten percent (10%) of such amounts and charges for inspection and supervision plus an additional five percent (5%) of such amounts for overhead and profit;
- (d) the Operations of the Communication Facility and Wires shall be performed in such a manner so as not to increase Landlord's insurance or the Property Taxes applicable to the Building provided that if either costs are increased Tenant shall pay to Landlord an amount equal to the whole amount of any such increase attributable thereto forthwith upon demand;

- (e) Tenant shall, at its sole cost, ensure that the Operations of the Communication Facility and Wires are at all times in compliance with all Applicable Laws;
- (f) If required by the Architect, acting reasonably, Landlord may, at Tenant's expense, screen the Communication Facility from public view provided that same may be done in a manner so as not to interfere with Tenant's use of the Communication Facility;
- (g) If, in Landlord's reasonable opinion, the roof requires upgrading to accommodate such Communication Facility same shall be performed by Landlord at Tenant's expense;
- (h) the initial installation and any subsequent alterations to or replacements of the Communication Facility shall be carried out in such a way to ensure that the Operations of the Communication Facility do not adversely affect or interfere with the operation of the Building by Landlord or the operation of any other communications equipment or wiring installed on the roof or within the Building. Tenant shall be responsible to pay for any reasonable modifications to existing communications equipment made necessary due to the installation or any subsequent alterations to or replacements of the Communication Facility. Tenant shall co-operate with Landlord and other users to ensure that the Operations of the Communication Facility or the Wires do not adversely affect or interfere with the operation of the Building by Landlord or the operation of any other communications equipment or wiring installed on the roof or within the Building ("Interference"). In the event that it is determined by Landlord, acting reasonably, that the Communication Facility is causing Interference with the operation of the Building or the operation of any other communications equipment or wiring, Tenant shall be responsible to pay the reasonable cost of any modifications to the communication equipment of other users as may be reasonably required in order to eliminate such Interference. If in the reasonable opinion of the Landlord, either or both the Communication Facility and Wires is causing Interference with the operation of the Building or the operation of any other communications equipment or wiring, Tenant shall, upon written notice from Landlord, at its sole cost take all necessary steps to eliminate such Interference. If such Interference is not eliminated within 2 hours (or within 48 hours if the Tenant has commenced to eliminate and it cannot reasonably be eliminated within 2 hours) after notice, Landlord shall have the right to take such reasonable steps (including removing the Communication Facility or Wires) without penalty or liability of any nature or kind whatsoever to eliminate such interference and repair any damage to the Building or roof arising out of the Operations of the Communication Facility or the removal thereof and repair any damage to the Building arising out of the Operations of the Wires or the removal thereof and the cost of same shall be paid by the Tenant forthwith upon demand. In the event that Landlord grants rights to other users to place communications equipment on the roof or Building, after the installation of the Communication Facility, Landlord shall require each such user to agree with Landlord to carry out the initial installation and any subsequent alterations to or replacements of its communications equipment having due regard to the existing Communication Facility and to be responsible to pay the reasonable cost of any modifications to the Communication Facility as may be reasonably required in order that such user's communications equipment does not interfere with the Tenant's Communication Facility and to be responsible to eliminate any Interference to Tenant's use of the Communication Facility caused by the operation of its communications equipment at least to the same extent as Tenant is required to do so hereunder;
- (i) at the expiry or earlier termination of the Term, Landlord may, at Tenant's expense, remove the Communication Facility and any screening and, at Landlord's option, the Wires, and make same available to Tenant and shall at the Tenant's expense repair any damage to the roof and the Building occasioned by the Operations or removal thereof;
- (j) for the right to operate the Communication Facility, Tenant shall be required to pay to Landlord as a licence fee the annual amount of One Thousand, Six Hundred and Fifty Dollars (\$1,650.00) plus Rental Taxes, and in addition thereto Tenant shall pay to Landlord in equal monthly instalments in advance, all Taxes, utility costs, insurance costs and other costs as Landlord shall allocate, acting reasonably, arising as a result of the Communication Facility or the Wires or their Operations and, in addition, shall pay the Landlord's out-of-pocket costs in having the Architect make any review or determination hereunder;
- (k) Sections 11.6 ("Release of Landlord") and 11.8 ("Indemnity by Tenant") of the Lease shall apply in respect of the Communication Facility and Wiring;
- (l) Landlord shall have the right, at its sole expense, to relocate the Communication Facility and Wires provided that same does not adversely affect Tenant's Operations of the Communication Facility;
- (m) Tenant shall be responsible for all costs incurred as a result of or in respect of such Communication Facility and Wires, including without limitation, all costs of the Operations of same and all fixtures, fittings and attachments in association therewith and all costs of repair, maintenance and

replacement in respect thereof. In addition, Tenant shall be responsible for all costs including, without limitation, the cost of ancillary equipment and facilities used in connection with the Communication Facility and Wires, costs relating to delivery, supports and bracing, connections to existing services and facilities of the Building and all operating and construction permits and licences, designer, engineer, architect and similar expert reports (including any consultants and/or reports deemed necessary by Landlord, acting reasonably);

- (n) Tenant shall be solely responsible for all necessary repairs, maintenance and replacements required to the Building, the Lands and Premises as a result of or in connection with the Communication Facility and Wires;
- (o) Tenant shall ensure that all connections made by or on behalf of Tenant are properly fused, breakered or connected; and
- (p) Tenant acknowledges that the right to maintain and operate the Communication Facility has been granted to Tenant in conjunction with its business operation on the Premises and Tenant agrees that it shall not use the Communication Facility for any other purpose, including without limitation public broadcasting. For greater specificity, the roof top satellite dish equipment shall not be used as a main broadcast transmitter for Global/CanWest's television or radio signal broadcasting in the Ottawa area.

ARTICLE 3 - DEFINITIONS AND INTERPRETATION

3.1 Definitions

- (a) "Additional Rent" means all amounts in addition to Basic Rent payable by the Tenant to the Landlord or any other Person pursuant to this Lease, other than Rental Taxes (except as provided in Section 15.1(a)).
- (b) "Alterations" has the meaning set out in Section 9.2.
- (c) "Applicable Laws" means all statutes, laws, by-laws, regulations, ordinances, orders and requirements of governmental or other public authorities having jurisdiction in force from time to time.
- (d) "Arbitration" if that term is used in this Lease, has the meaning given to it in Section 16.6.
- (e) "Basic Rent" means the rent payable pursuant to Section 5.1.
- (f) "Building" means the Building Lands and the building and all other structures, improvements, facilities and appurtenances that have been or will be constructed on the Building Lands (above, at or below grade), including the Building Systems and the Common Areas and Facilities, all as may be altered, expanded, reduced or reconstructed from time to time.
- (g) "Building Lands" means the lands described in Part 1 of Schedule "A" (or such portion thereof as may be designated by the Landlord from time to time), as altered, expanded or reduced from time to time.
- (h) "Building Systems" means at any time: (i) all heating, ventilating and air-conditioning and other climate control systems and other systems, services, installations and facilities installed in or servicing all or any part of the Building or Project including, without limitation, the following systems, services, installations and facilities: elevators and escalators, mechanical (including plumbing, sprinkler, drainage and sewage), electrical and other utilities, lighting, sprinkler, life safety (including fire prevention, communications, security and surveillance), computer (including environmental, security and lighting control), ice and snow melting, refuse removal, window washing and music; (ii) all machinery, appliances, equipment, apparatus, components, computer software and appurtenances forming part of or used for or in connection with any of such systems, services, installations and facilities including, but not limited to, boilers, motors, generators, fans, pumps, pipes, conduits, ducts, valves, wiring, meters and controls, and the structures and shafts housing and enclosing any of them; and (iii) all Landlord owned or controlled telecommunications facilities, installations and equipment.
- (i) "Business Day" means any day which is not a Saturday, Sunday or a day observed as a holiday under the Applicable Laws in the province in which the Building is situate.
- (j) "Business Hours" means the normal business hours on Business Days determined from time to time by the Landlord for the Building.

- (k) "Business Taxes" means all taxes, rates, duties, levies, assessments, licence fees and other charges in respect of the use or occupancy of, or any business carried on by, tenants or other occupants of the Project.
- (l) "Capital Tax", if applicable, means the amount from time to time reasonably allocated by the Landlord to the Project, of any tax or taxes at any time payable under the legislation of a province or to any political subdivision within a province by the Landlord, based upon or computed by reference to the paid-up capital or surplus or value of real estate portfolio or place of business of the Landlord as determined for the purposes of that tax, and for the purposes of this definition, the word "Landlord" includes, severally, each of the persons or firms that then constitute the Landlord. Notwithstanding the foregoing, so long as the Tenant is CanWest MediaWorks Publications Inc., or its Permitted Transferee, the Tenant shall not be required to pay to the Landlord Capital Tax, if any, payable by the Landlord or the owner of the Lands.
- (m) "CDS" has the meaning set out in Section 7.6(c).
- (n) "Change of Control" means, in the case of any corporation or partnership, the transfer or issue by sale, assignment, subscription, transmission on death, mortgage, charge, security interest, operation of law or otherwise, of any shares, voting rights or interest which would result in any change in the effective control of such corporation or partnership, unless such change occurs as a result of trading in the shares of a public corporation listed on a recognized stock exchange in Canada or the United States.
- (o) "Commencement Date" means the date set out in or determined pursuant to Section 1.1(h)(ii), subject to Section 4.2.
- (p) "Common Areas and Facilities" means those areas, facilities, improvements, installations and equipment in or around the Building or Project existing from time to time that are provided or designated from time to time by the Landlord for use in common by the Landlord, the Tenant, other tenants of the Building or Project or their respective sublessees, agents, employees, customers, invitees or licensees, whether or not those areas are open to the general public or to all tenants of the Building or Project including, without limitation, the Building Systems, entrances, lobbies, access and service corridors, stairways, indoor and outdoor walkways (both open and enclosed), malls, courts and arcades (both open and enclosed), public seating areas and facilities, public washrooms, indoor and outdoor landscaping and landscaped areas, passageways or tunnels leading to any public walkway or other facilities or to other buildings or concourses, mailrooms, electrical, telephone, meter, valve, mechanical, storage and janitor rooms, shipping and receiving areas and loading docks, package or passenger pick-up areas, waste disposal or recycling facilities, parking facilities, driveways, laneways and ramps and sidewalks, parks and other municipal facilities for which the Landlord directly or indirectly is subject to obligations in its capacity as owner of the Building or Project or an interest in it, all as may be altered, expanded, reduced, reconstructed or relocated from time to time.
- (q) "Default Rate" means the lesser of: (i) the Prime Rate plus five percent per annum; and (ii) the maximum rate permitted by Applicable Laws, calculated and compounded monthly not in advance.
- (r) "Early Termination" has the meaning set out in Section 12.3.
- (s) "Event of Default" has the meaning set out in Section 15.1.
- (t) "Expert" means any independent architect, designer, engineer, land surveyor, accountant or other professional consultant appointed by the Landlord who, in the opinion of the Landlord, acting reasonably and in good faith, is qualified to perform the function for which he or she is retained and, in the case of an architect, engineer or accountant, is an accredited member of a professional body licensed to practice in Canada.
- (u) "Expiry Date" means the date set out in or determined pursuant to Section 1.1(h)(iii), subject to Section 4.2.
- (v) "Fiscal Year" means the fiscal period(s) as designated by the Landlord from time to time. The Landlord may have different Fiscal Years for any one or more of the components of Additional Rent.
- (w) "Fixturing Period" means the period, if any, specified in Section 1.1(i) provided to the Tenant to perform its fixturing of the Premises. During any Fixturing Period the Tenant shall be entitled to occupy the Premises in accordance with all terms of this Lease (including the Tenant's obligations to pay for all utilities and services), but shall not be obligated to pay Basic Rent, the Tenant's share of Property Taxes or the Tenant's share of Operating Costs.
- (x) "Indemnifier" means the Person, if any, identified in Section 1.1(c)(i), and if there is more than one such Person, it means each such Person.
- (y) "Lands" means the Building Lands, or, if applicable, the Project Lands.

- (z) "Large Corporations Tax" means the amount from time to time reasonably allocated by the Landlord to the Project, of the tax known as the Large Corporations Tax, if applicable, and of any similar or replacement tax or taxes at any time payable under the legislation of Canada based upon or computed by reference to the paid-up capital or surplus or value of real estate portfolio or place of business of the Landlord as determined for the purposes of that tax, and for the purposes of this definition, the word "Landlord" includes, severally, each of the persons or firms that then constitute the Landlord. Notwithstanding the foregoing, so long as the Tenant is CanWest MediaWorks Publications Inc., or its Permitted Transferee, the Tenant shall not be required to pay to the Landlord Large Corporations Tax, if any, payable by the Landlord or the owner of the Lands.
- (aa) "Lease" means this lease, including all schedules, as it may be amended.
- (bb) "Lease Year" means: (i) in the case of the first Lease Year, the period beginning on the Commencement Date and ending on the last day of the 12th consecutive full month after the expiry of the calendar month in which the Commencement Date occurs (except that if the Commencement Date occurs on the first day of a calendar month, the first Lease Year shall end on the day prior to the first anniversary of the Commencement Date) and; (ii) in the case of each subsequent Lease Year, consecutive 12 month periods, provided that the final Lease Year shall end on the last day of the Term.
- (cc) "Leasehold Improvements" means all alterations, fixtures and improvements in or serving the Premises made from time to time by or on behalf of the Tenant or any prior occupant of the Premises including, without limitation, mezzanines, internal stairways, doors, hardware, vaults, partitions (excluding moveable partitions), lighting fixtures, non-Building standard window coverings and wall-to-wall carpeting (excluding carpeting laid over a finished floor and removable without damage to such floor), but excluding trade fixtures and furniture and equipment not of the nature of fixtures.
- (dd) "Measurement Standards" means the measurement standards set out in Schedule "A".
- (ee) "Mortgage" means any mortgage, charge or security instrument (including a deed of trust or mortgage securing bonds) and all extensions, renewals, modifications, consolidations and replacements of any such item which may now or hereafter affect the Project or any part of it.
- (ff) "Mortgagee" means the mortgagee, chargee or other secured party (including a trustee for bondholders), as the case may be, who from time to time holds a Mortgage.
- (gg) "Notice" has the meaning set out in Section 16.7.
- (hh) "Operating Costs" has the meaning set out in Section 6.5.
- (ii) "Permitted Transferee" means any entity which is an affiliate (as that term is defined as of the date of this Lease in the Canada Business Corporations Act) of the original named Tenant, and only for so long as it remains an affiliate of such original named Tenant.
- (jj) "Person" means any individual, partnership, corporation, trust, trustee or other entity or any combination of them.
- (kk) "Premises" means that part of the Building identified in Section 1.1(f) and approximately shown cross-hatched on Schedule "B", extending to: (i) the interior face of all exterior walls, doors and windows; (ii) the interior face of all interior walls, doors and windows separating the Premises from Common Areas and Facilities or from adjoining leaseable premises; and (iii) the top surface of the structural subfloor and the top surface of the suspended or plaster ceiling (or the bottom surface of the structural ceiling if there is no suspended or plaster ceiling). Any Building Systems located in the Premises do not form part of the Premises.
- (ll) "Prime Rate" means the annual rate of interest announced from time to time by the Canadian chartered bank from time to time chosen by the Landlord as the daily rate of interest used by such bank as a reference rate in setting rates of interest for Canadian dollar commercial loans and commonly referred to by such bank as its Canadian "prime rate".
- (mm) "Project", if applicable, means the Project Lands and the buildings and all other structures, improvements, facilities and appurtenances that have been or will be constructed on the Project Lands (above, at or below grade), including the Building Systems and the Common Areas and Facilities, all as may be altered, expanded, reduced or reconstructed from time to time; provided that if the Landlord determines Project is not applicable, references in this Lease to Project shall be deemed to be references to Building.
- (nn) "Project Lands", if applicable, means the lands described in Part 2 of Schedule "A" (or such portion thereof as may be designated by the Landlord from time to time), as altered, expanded or reduced from time to time; provided that if Project Lands are not applicable, references in this Lease to Project Lands shall be deemed to be references to Building Lands.

- (oo) "Property Taxes" means the aggregate of all taxes, rates, duties, levies, fees, charges (including local improvement charges) and assessments whatsoever, imposed, assessed, levied, rated or charged against or in respect of the Project (or any part of the Project) from time to time by any competent taxing or assessing authority, whether school, municipal, regional, provincial, federal, or otherwise, and any taxes or other amounts which are imposed in lieu of, or in addition to, any of the foregoing whether or not in existence on the Commencement Date and whether of the foregoing character or not, but excluding taxes on the income or profits of the Landlord except to the extent that they are levied in lieu of the foregoing.
- (pp) "Proportionate Share" means a fraction which has: (i) as its numerator, the Rentable Area of the Premises, and (ii) as its denominator, the Rentable Area of the Project.
- (qq) "Purchaser" has the meaning set out in Section 13.2.
- (rr) "Rent" means all Basic Rent and Additional Rent.
- (as) "Rent Deposit" means the amount specified in Section 1.1(k)(i).
- (tt) "Rentable Area" means: (i) in the case of the Premises and any other premises included in the Project, the area of all floors of such premises; and (ii) in the case of the Project the aggregate of the area of all premises in the Project that are rented, or designated or intended by the Landlord to be rented (whether actually rented or not) but excluding storage areas, all determined in accordance with the Measurement Standards. The Rentable Area of the Premises, the Project or any part thereof may be adjusted from time to time to reflect any alteration, expansion, reduction, recalculation or other change.
- (uu) "Rental Taxes" means any tax or duty imposed upon either the Landlord or the Tenant which is measured by or based in whole or in part directly upon the Rent payable under this Lease or in respect of the rental or rental value of premises under this Lease whether existing at the date of this Lease or hereafter imposed by any governmental authority including, without limitation, goods and services tax, harmonized sales tax, value added tax, business transfer tax, sales tax, federal sales tax, excise taxes or duties or any tax similar to the foregoing.
- (vv) "Required Conditions" means that:
 - (i) the Tenant is the original named Tenant or a Permitted Transferee, has not undergone a Change of Control and is itself in occupation of and carrying on business from the whole or any part of the Premises; and
 - (ii) the Tenant has paid all Basic Rent and Additional Rent as and when due and has not been in persistent default and is not in material default under this Lease.
- (ww) "Restoration" has the meaning set out in Section 9.3.
- (xx) "Restoration Date" has the meaning set out in Section 9.3.
- (yy) "Rules and Regulations" means the Rules and Regulations annexed hereto as Schedule "C" together with any amendments, deletions and additions made by the Landlord from time to time pursuant to Section 10.4, all of which shall form part of this Lease.
- (zz) "Security Deposit" means the amount specified in Section 1.1(k)(ii).
- (aaa) "Statement" has the meaning set out in Section 5.5(b).
- (bbb) "Structural Components" means those parts of the Project consisting of the footings and foundations, structural columns and beams, structural subfloors, and bearing walls.
- (ccc) "Term" means the period specified in Section 1.1(h)(i).
- (ddd) "Transfer" means all or any of the following, whether by conveyance, written agreement or otherwise: (i) an assignment of this Lease in whole or in part; (ii) a sublease of all or any part of the Premises; (iii) the sharing or transfer of any right of use or occupancy of all or any part of the Premises; (iv) any mortgage, charge or encumbrance of this Lease or the Premises or any part of the Premises or other arrangement under which either this Lease or the Premises become security for any indebtedness or other obligation; and (v) a Change of Control, and includes any transaction or occurrence whatsoever (including, but not limited to, expropriation, receivership proceedings, seizure by legal process and transfer by operation of law), which has changed or might change the identity of the Person having use or occupancy of any part of the Premises.
- (eee) "Transferee" means the Person to whom a Transfer is or is to be made.
- (fff) "Transfer Application Fee" means such fee as the Landlord may in its sole discretion from time to time determine to be chargeable by it for considering whether to consent to a Transfer and/or

any documents relating to a Transfer prepared by the Landlord plus all costs incurred including legal fees, credit checks and all disbursements in respect of a proposed Transfer.

(ggg) "TSP" has the meaning set out in Section 7.6(b).

(hhh) "Unavoidable Delay" has the meaning set out in Section 16.5.

3.2 Entire Agreement, Amendments, Waiver

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

3.3 Acceptance and Application of Rent

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

3.4 General Rules of Interpretation

- (a) **Obligations as Covenants:** Each obligation of the Landlord and the Tenant in this Lease shall be considered a covenant for all purposes.
- (b) **Time:** Time is of the essence of this Lease.
- (c) **Number, Gender:** The grammatical changes required to make the provisions of this Lease apply in the plural sense where the Tenant comprises more than one Person and to individuals (male or female), partnerships, corporations, trusts or trustees will be assumed as though in each case fully expressed.
- (d) **Liability of Tenant:** If the Tenant consists of more than one Person, the covenants of the Tenant shall be joint and several covenants of each such Person. If the Tenant is a partnership, each Person who is presently a partner of the partnership and each Person who becomes a member of any successor partnership shall be and continue to be bound jointly and severally for the performance of and shall be and continue to be subject to all of the terms, obligations and conditions of this Lease, whether or not such Person ceases to be a member of such partnership or successor partnership and whether or not such partnership continues to exist.
- (e) **Governing Law:** This Lease shall be governed by and construed under the Applicable Laws of the jurisdiction in which the Building is located and the parties attend and submit to the jurisdiction of the courts of such jurisdiction.
- (f) **Headings:** The headings of the Articles and Sections are included for convenience only, and shall have no effect upon the construction or interpretation of this Lease.
- (g) **Landlord as Trustee:** Any and all exculpatory provisions, releases and indemnities included in this Lease for the benefit of the Landlord are intended also to benefit the Mortgagees, any owner or lessor with an interest in the Project prior to the Landlord, property managers of the Landlord, and the officers, directors, shareholders, employees, agents of each one of them and, for the purposes of such provisions, the Landlord is acting as agent or trustee on behalf of and for the benefit of the persons mentioned above.
- (h) **Severability:** Should any provision of this Lease be or become invalid, void, illegal or not enforceable, such provision shall be considered separate and severable from this Lease and the remaining provisions shall remain in force and be binding upon the parties hereto as though such provision had not been included.

3.5 Successors

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

ARTICLE 4 - GRANT AND TERM

4.1 Term, Demise

The Landlord hereby demises and leases the Premises to the Tenant for the Term (unless terminated earlier pursuant to this Lease), to have and to hold during the Term, subject to the terms and conditions of this Lease. The Landlord grants to the Tenant a non-exclusive licence throughout the Term to the benefit or use (as may be appropriate) of those Common Areas and Facilities which provide access to the Premises or which are generally made available to all tenants in the Building, in common with other tenants of the Building and with all others entitled thereto, subject to the terms and conditions of this Lease.

4.2 Delay in Delivery of Premises

~~If the Landlord is delayed in delivering the Premises to the Tenant by the date provided for in this Lease, the Landlord and the Tenant agree that the Commencement Date shall be deferred by the number of days of such delay but the Term will remain as set out in this Lease. The Landlord or its agent shall provide to the Tenant written notice of any such delay before it occurs. The Tenant shall accept the above deferral of the Commencement Date as full compensation for the delay and the Landlord shall have no further liability arising from it. The Tenant shall upon request execute a lease amending agreement documenting such deferral, if any.~~

4.3 Acceptance

The Tenant hereby leases and accepts the Premises from the Landlord and covenants to pay the Rent and to observe and perform all the covenants and obligations to be observed and performed by the Tenant pursuant to this Lease. If the Tenant occupies the Premises prior to the Commencement Date, its occupancy shall be subject to the terms and conditions of this Lease, other than in respect of Rent if there are other provisions concerning Rent that the Landlord and Tenant have agreed to in this Lease. ~~writing in respect of such period prior to the Commencement Date.~~ The Tenant agrees that, except as may be specifically set out herein, the Premises are accepted subject only to the Premises being in the condition set out in Schedule "E" and there is no promise, representation or undertaking binding upon the Landlord with respect to any alteration, remodelling or decoration of the Premises or with respect to the installation of equipment or fixtures in the Premises.

4.4 Quiet Enjoyment

If the Tenant pays the Rent, fully performs all its obligations under this Lease and there has been no Event of Default, then the Tenant shall be entitled, subject to the provisions of this Lease, to peaceful and quiet enjoyment of the Premises for the Term.

ARTICLE 5 - RENT

5.1 Basic Rent

The Tenant shall pay to the Landlord Basic Rent in the amount set out in Section 1.1(j) for the respective Lease Year, by equal consecutive monthly instalments in advance on the first day of each month, subject to any adjustment pursuant to Section 5.3.

5.2 Additional Rent

The Tenant shall also pay throughout the Term, at the times and in the manner provided in this Lease, all Additional Rent which shall, except as otherwise provided in this Lease, be payable within thirty (30) days of receipt by the Tenant of an invoice, statement or demand for it.

5.3 Adjustment Due to Measurement

The Landlord may, from time to time, at its option, cause the Rentable Area of the Premises and/or Project or any part thereof to be measured by an Expert and, if necessary as a result of such measurement, the annual Basic Rent and the calculation of Additional Rent shall be adjusted by the Landlord. The effective date of any such adjustment shall be:

- (a) in the case of any measurement made prior to or within six months of the Commencement Date, the date the Tenant is allowed possession of the Premises under this Lease; and
- (b) in all other cases, the date of the determination of the measurement.

Any such measurement by an Expert shall be final and binding on the Landlord and the Tenant subject to the Landlord's right from time to time to cause the Rentable Area of the Premises and/or Project or any part thereof to be remeasured by an Expert as set out above, the costs of which Expert's measurement will form part of the Operating Costs. Neither the Landlord nor the Tenant may claim any adjustment to the annual Basic Rent or to the calculation of Additional Rent based on the Rentable Area of the Premises except in accordance with a measurement by an Expert made pursuant to this Section and, for greater certainty, neither the Landlord nor the Tenant may claim any adjustment to the annual Basic Rent or to the calculation of Additional Rent based on such measurement for the

period prior to the effective date of such adjustment as set out above. Notwithstanding the foregoing, so long as the Tenant is CanWest MediaWorks Publications Inc., or a Permitted Transferee, it is understood and agreed that with respect to any change, modification or alteration to the Building, the Landlord will be limited to one (1) adjustment to the Rentable Area of the Premises up to and including October 31, 2012, save and except for any change, modification or alteration to the Building arising from any modification or expansion of the Premises or the exercise by the Tenant of its right under Section 2.6 hereof.

5.4 Payment of Rent - General

- (a) All payments required to be made by the Tenant pursuant to this Lease shall be paid when due, without prior demand and without any abatement, set-off, compensation or deduction whatsoever, except as may be otherwise expressly provided herein, at the address of the Landlord set out in Section 1.1(a)(ii) or at such other place as the Landlord may designate from time to time to the Tenant.
- (b) All payments required to be made by the Tenant pursuant to this Lease, except for Rental Taxes, shall be deemed to be Rent and shall be payable and recoverable as Rent, and the Landlord shall have all rights against the Tenant for default in any such payment as in the case of arrears of Rent.
- (c) The Tenant shall pay to the Landlord all Rental Taxes applicable from time to time, calculated and payable in accordance with Applicable Laws and the Tenant shall pay such amount at the earlier of: (i) the time provided for by Applicable Laws; and (ii) the time such Rent is required to be paid under this Lease. The amount payable by the Tenant on account of Rental Taxes shall be deemed not to be Rent for the purpose of such calculation but in the event of a failure by the Tenant to pay any amount, the Landlord shall have the same rights and remedies as it has in the event of a failure by the Tenant to pay Rent.
- (d) At the Landlord's request, the Tenant shall make all payments under this Lease by way of post-dated cheques, automatic withdrawals or electronic funds transfer from the Tenant's bank account and shall execute and deliver either concurrently with this Lease or from time to time within three Business Days following request for it, such documentation as may be required by the Landlord and its bank in order to effect such payments. Notwithstanding the foregoing, so long as the Tenant and occupant of the whole of the Premises is CanWest MediaWorks Publications Inc., or a Permitted Transferee, and is not in default under the terms of this Lease, the requirement to present post-dated cheques or pay Rent by way of automatic withdrawals and electronic funds transfer as hereinbefore set out shall be suspended.
- ~~(e) If the Tenant begins to use all or part of the Premises for the conduct of its business on a date that is earlier than the Commencement Date, Rent shall begin to accrue from such earlier date, and the Tenant shall pay to the Landlord the Rent accrued, in each case within 30 days of receipt from the Landlord of an invoice in respect of such Rent.~~
- (f) If the Commencement Date or the date the Tenant commences to conduct its business at the Premises is other than the first day of a full period in respect of which any item of Rent is calculated, or the last day of the Term is other than the last day of a full period, then unless otherwise provided in this Lease, the amount of such item of Rent payable in respect of the broken period shall be prorated on the basis of a 365 day year.

5.5 Payment of Additional Rent

- (a) Prior to the Commencement Date and at or prior to the beginning of each Fiscal Year thereafter, the Landlord shall compute and deliver to the Tenant a bona fide estimate in respect of such Fiscal Year of the Tenant's share of Property Taxes, the Tenant's share of Operating Costs (being its Proportionate Share subject to Section 6.7) and such other items of Additional Rent as the Landlord may estimate in advance and the Tenant shall pay to the Landlord in monthly instalments one-twelfth of such estimate simultaneously with the Tenant's payments of Basic Rent, provided that the monthly instalments on account of the Tenant's share of Property Taxes may be determined so that the Landlord collects all such amounts payable by the Tenant by the final due date in the relevant calendar year. The Landlord may from time to time re-estimate any items of Additional Rent and may fix monthly instalments for the then remaining balance of the Fiscal Year so that such items will be entirely paid during such Fiscal Year.
- (b) Within a reasonable period of time after all information necessary to calculate actual Additional Rent becomes available after the end of each Fiscal Year, the Landlord will provide to the Tenant a written statement (in this Section 5.5 referred to as the "Statement") setting out in reasonable detail the amount of Operating Costs, the Property Taxes and such other items of Additional Rent as the Landlord had estimated in advance for such Fiscal Year. If the Tenant's share of Property Taxes, the Tenant's share of Operating Costs (being its Proportionate Share subject to Section 6.7) and other items of Additional Rent actually paid by the Tenant to the Landlord during such Fiscal Year differs from the amount of the Tenant's share of Property Taxes, the Tenant's share of Operating Costs and other items of Additional Rent payable for such Fiscal Year, the Tenant shall pay such difference or the Landlord shall credit the Tenant's account (as the case may be), without interest within 30 days after the date of delivery of the Statement. The respective

obligations of the Landlord and the Tenant in this Section 5.5(b) shall survive the end of the Term or earlier termination of this Lease.

- (c) The Tenant shall not claim a re-adjustment in respect of Operating Costs or Property Taxes or other items of Additional Rent estimated by the Landlord or the share payable by the Tenant on account thereof for any Fiscal Year except by notice given to the Landlord within six months after delivery of the Statement, stating the particulars of the error in computation.
- (d) If the Tenant disputes the accuracy of any Statement within the period permitted under Section 5.5(c) above and the Landlord and the Tenant fail to settle the matter within a reasonable period, the matter shall be referred by the Landlord to an Expert for prompt determination. The Tenant shall pay in accordance with the Statement until such decision is rendered. The Expert's signed determination shall be final and binding on both the Landlord and the Tenant. Any adjustment required to any previous payment made by the Tenant or the Landlord by reason of any such determination shall be made within 14 days thereof. ~~and the party required to pay such adjustment shall bear all costs of the Expert, except that if the amount to be paid is 30% or less of the amount in dispute, the Tenant shall pay all such costs.~~ The cost of the Expert shall be payable by the Tenant unless the Tenant's Proportionate Share of Operating Costs were overstated by five percent (5%) or more.
- (e) The parties agree that Landlord has estimated that Tenant's obligations hereunder in respect of Operating Costs and Property Taxes for the year 2007 would be approximately Twenty-One Dollars and Ten Cents (\$21.10) per square foot of the Rentable Area of the Premises. Such estimate is a bona fide estimate made by Landlord as of the date hereof, but is not intended by Landlord to be relied upon by Tenant and is not binding and does not impose liabilities on Landlord or affect Tenant's obligations hereunder.

5.6 Rent Deposit

~~The Landlord acknowledges receipt from the Tenant of the Rent Deposit to be applied to the Rent as it becomes due or as otherwise provided in Section 1.10(4) and, to the extent it is not so applied from time to time, to be held, without interest, as security (without prejudice to the Landlord's other rights and remedies) for the observance and performance of the Tenant's obligations under this Lease.~~

5.7 Security Deposit

~~The Landlord acknowledges receipt from the Tenant of the Security Deposit to be held, without interest, as security (without prejudice to the Landlord's other rights and remedies) for the observance and performance of the Tenant's obligations under this Lease. If the Tenant defaults in the performance of any of the terms, covenants, conditions and provisions of this Lease as and when the same are due to be performed by the Tenant, then the Landlord, at its option, may appropriate and apply all or any part of the Security Deposit on account of any losses or damages sustained by the Landlord as a result of such default. Upon demand by the Landlord following any such appropriation, the Tenant shall pay to the Landlord an amount sufficient to restore the total original amount of the Security Deposit. If the Tenant complies with all of the terms, covenants, conditions and provisions under this Lease, the Security Deposit shall be returned to the Tenant without interest within 60 days after the expiry or earlier termination of the Term, or, at the Landlord's option, shall be applied by the Landlord on account of the last month's Rent.~~

5.8 Net Lease

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

ARTICLE 6 - OPERATING COSTS AND TAXES

6.1 Property Taxes Payable by Landlord

The Landlord shall pay all Property Taxes, but it may defer such payments or compliance to the fullest extent permitted by law so long as it pursues in good faith any contest or appeal of any such Property Taxes with reasonable diligence.

6.2 Property Taxes Payable by Tenant

- (a) The Tenant shall pay as Additional Rent directly to the Landlord in each Fiscal Year the Tenant's share of Property Taxes as determined pursuant to this Section.
- (b) The Tenant's share of Property Taxes shall be the portion of the Property Taxes that are attributable to the Premises, as determined by the Landlord. Without limiting the foregoing:

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

6.3 Business Taxes and Other Taxes of Tenant

The Tenant shall promptly pay before delinquency to the taxing authorities or to the Landlord, if it so directs, as Additional Rent, any taxes, rates, duties, levies and assessments whatsoever, whether municipal, provincial, federal or otherwise, levied, imposed or assessed against or in respect of the operations at, occupancy of, or conduct of business in or from the Premises by the Tenant or any other permitted occupant, including the Tenant's Business Taxes, if levied in the province in which the Building is situate. Whenever requested by the Landlord, the Tenant shall deliver to the Landlord copies of receipts for payment of all such taxes.

6.4 Assessment Appeals

The Tenant shall not appeal any governmental assessment or determination of the value of the Project or any portion of the Project whether or not the assessment or determination affects the amount of Property Taxes or other taxes, rates, duties, levies or assessments to be paid by the Tenant.

6.5 Operating Costs

Subject to the exclusions and deductions stipulated in Section 6.6, "Operating Costs" means the total, without duplication, of the costs, expenses, fees, rentals, disbursements and outlays (in Sections 6.5 and 6.6 referred to collectively as "costs") of every kind, whether direct or indirect, paid, payable or incurred by or on behalf of the Landlord on a cash basis (or on an accrual basis as and to the extent that the Landlord may determine having regard for accounting practices employed by prudent landlords of comparable properties in the commercial real estate industry and applied consistently to all tenants of the Building) in the ownership, maintenance, repair, replacement, operation, administration, supervision and management of the Project, including, without limitation:

- (a) costs of providing security, supervision, traffic control, janitorial, landscaping, window cleaning, waste collection, disposal and recycling and snow removal services and the costs of machinery, supplies, tools, equipment and materials used in connection with the Project (including rental costs of such items);
- (b) costs of telephone and telecommunications (including riser, rooftop and wireless management), information technology, telecopier, stationery, office equipment, supplies, signs and directory boards and other services and materials required for management, maintenance and operation (whether on or off-site and whether incurred by the Landlord or a management company);
- (c) costs of providing electricity, fuel, heat, processed air, water, telephone, gas, sewage disposal and other utilities and services (including all energy management and administration costs) and costs of replacing building standard electric light fixtures, ballasts, tubes, starters, lamps, light bulbs and controls (to the extent such item is charged separately to the Tenant pursuant to this Lease then the costs of any such item attributable to other leaseable premises shall be excluded);
- (d) costs of:
 - (i) operating, maintaining, replacing, modifying and repairing the Project, including without limitation such costs where incurred by the Landlord in order to comply with Applicable Laws or required by the Landlord's insurance carrier or resulting from normal wear and tear to the Project;

- (ii) providing, installing, modifying and upgrading energy conservation equipment and systems, life safety and emergency response systems, materials and procedures and telecommunication systems and equipment if any;
- (iii) making alterations, replacements or additions to the Project intended to reduce Operating Costs, improve the operation of the Project and the systems, facilities and equipment serving the Project, or maintain their operation; and
- (iv) replacing machinery or equipment which by its nature requires periodic replacement.

all to the extent that such costs are fully chargeable in the Fiscal Year in which they are incurred in accordance with generally accepted accounting principles as applied by the Landlord, or as specified in this Lease;

- (e) depreciation or amortization of the costs referred to in Section 6.5(d) above as determined in accordance with generally accepted accounting principles as applied by the Landlord, or as specified in this Lease, if such costs have not been charged fully in the Fiscal Year in which they are incurred, and interest or imputed interest (at 2% per annum over the Prime Rate) on the undepreciated or unamortized balance of such costs. Notwithstanding the foregoing, the Landlord, acting reasonably, may depreciate or amortize any such cost over a longer or shorter period than that which corresponds to the period over which the benefits of having incurred that cost are realized;
- (f) amounts paid to, or reasonably attributable to the remuneration of, all personnel (whether on or off-site and whether employed by the Landlord or a management company) involved in the maintenance, repair, replacement, operation, administration, supervision and management of the Project, including fringe benefits, severance pay, termination payments, uniforms and other employment costs, excluding compensation paid to (1) officers or executives of the Landlord above the grade of general manager, or (2) employees below the grade of general manager to the extent their time or services are employed outside the Project and are not directly involved in the administration, maintenance and operation of the Project;
- (g) auditing, accounting, legal and other professional and consulting fees and disbursements incurred in connection with the maintenance, repair, replacement, operation, administration, supervision and management of the Project, including those incurred with respect to the preparation of the statements required under the provisions of this Lease and costs of minimizing, contesting or appealing assessments of Property Taxes (whether or not successful);
- (h) costs of all insurance which the Landlord is obligated or permitted to obtain under this Lease and the amounts of losses incurred or claims paid either below the insurance deductible amounts or as the co-insurance portion of an insured claim, and should the Landlord choose in whole or in part to self-insure, the amount of reasonable contingency reserves not exceeding the amount of premiums that would otherwise have been incurred in respect of the risks undertaken;
- (i) Property Taxes to the extent not charged to the Tenant pursuant to Section 6.2 and to other tenants of the Project pursuant to lease provisions similar to such Section;
- (j) Capital Tax and Large Corporations Tax, subject to the provisions of Sections 3.1(i) and 3.1(z);
- (k) fair market rental value (having regard to rent being charged for similar space including additional rent for operating costs and property taxes) of space used by the Landlord and/or its property manager, in connection with the maintenance, repair, operation, administration and management of the Project and such fair market rental value of any building amenities (such as conference and day-care facilities provided primarily for tenants of the Project), together with the costs relating to such building amenities; and
- (l) a management fee of fifteen percent (15%) of the costs, charges and expenses referred to above (but excluding those referred to in Subsections 6.5(i) and 6.5(j)). This management fee is in addition to and not a duplication of the expenses, salaries and benefits referred to in Subsection 6.5(f) above. ~~in an amount comparable to that which would be charged by a real estate management company for management of similar office buildings in the area in which the Building is located.~~

6.6 Limitations on Operating Costs

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

- (a) major repairs to Structural Components that are required as a result of defective design or construction of such Structural Components;
- (b) interest on, and the capital retirement of debt, except as specifically provided in Section 6.5(e), and ground rent payable to the lessor under any ground or other lease pursuant to which the Landlord has an interest in the Project;

- (c) expenses relating to decorating or redecorating or renovating rentable space for tenants or occupants of the Project and costs relating to tenant inducements, allowances or similar expenses;
- (d) all leasing expenses, real estate brokers' fees, leasing commissions, advertising premises for lease, and space planners' fees;
- (e) repairs or maintenance done for the direct account of other tenants;
- (f) net recoveries by the Landlord in respect of warranties or guarantees and insurance claims to the extent (but only to the extent) that the repair costs in respect of the work covered by such warranties or guarantees or insurance claims have been charged as Operating Costs; and
- (g) amounts recovered from TSPs and tenants as contributions to the cost of telecommunications related services (including riser, rooftop and wireless management) to the extent (but only to the extent) that those costs have been included in Operating Costs.

6.7 Adjustments of Operating Costs

In computing Operating Costs:

- (a) if less than 100% of the Rentable Area of the Project is completed or occupied during any period for which a computation must be made, the amount of those items included in Operating Costs which vary based upon occupancy (such as janitorial services, waste removal) will be increased by the amount of the additional costs determined by the Landlord, that would have been incurred had 100% of the Rentable Area of the Project been completed or occupied during that period, provided that the foregoing shall not result in the Tenant's Proportionate Share being greater than it would be if the Project was fully occupied and completed. Where a cost or expense included in Operating Costs fluctuates with occupancy levels under the particular contract or agreement in place with the provider or supplier of the item to which that cost or expense relates, then the Landlord shall not be entitled to disregard vacancies and gross up such cost or expense to reflect full Project occupancy. For greater certainty, where a cost or expense included in Operating Costs is fixed under the particular contract or agreement in place with the provider or supplier of the item to which that cost or expense relates, then such fixed contract price will be included in Operating Costs. By way of example, if the cost of exterior window cleaning for the Project is Ten Thousand Dollars (\$10,000.00) under the relevant service contract, then the amount to be included in Operating Costs on account of such contract is Ten Thousand Dollars (\$10,000.00) irrespective of the vacancy levels in the Project.
- (b) where the Landlord determines, acting reasonably but in its sole discretion, that any item(s) of Operating Costs are provided only to or for the benefit of the Building (if it is part of a Project) or a portion of the Project or Building, then the Landlord, acting reasonably and in a bona fide manner, shall be entitled, but not obligated, to reasonably allocate or attribute the cost of those item(s) over such portion of the Project or Building and adjust the Tenant's Operating Cost payment based on such allocation. Upon written request of the Tenant, the Landlord will disclose to the Tenant its method of allocation;
- (c) if the Project or the Building is comprised of different categories of leaseable premises, the Landlord shall be entitled, but not obligated, to allocate Operating Costs among the various categories on the basis of such factors as the Landlord, acting reasonably, determines to be relevant and to adjust the Tenant's Operating Cost payment based on such allocation; and
- (d) if any facilities, services or utilities:
 - (i) for the operation, administration, management, repair and maintenance of the Building are provided from another building or other buildings (whether within the Project or elsewhere) owned or operated by Landlord or its manager;
 - (ii) for the operation, administration, management, repair and maintenance of another building or other buildings (whether within the Project or elsewhere) owned or operated by the Landlord or its manager are provided from the Building; or
 - (iii) are otherwise shared between the Building and another building or other buildings (whether within the Project or elsewhere),

the costs, charges and expenses of such items shall be allocated by the Landlord, between the Building and other building or buildings (whether within the Project or elsewhere) on a reasonable basis.

6.8 Reduction or Control of Operating Costs

The Tenant shall comply with any practices or procedures that the Landlord, acting reasonably, may from time to time introduce to reduce or control Operating Costs and shall pay, as Additional Rent, all costs, as determined by the

Landlord, acting reasonably, that may be incurred by the Landlord as a result of any non-compliance. The Landlord may use an Expert to assist it in making such determination.

ARTICLE 7 - HVAC, UTILITIES AND OTHER LANDLORD SERVICES

7.1 Heating, Ventilating and Air Conditioning

- (a) The Landlord shall provide processed air in quantities and at temperatures required to maintain conditions within a reasonable temperature range in the Premises during Business Hours. If the Tenant requests the provision of processed air outside Business Hours, the Landlord shall provide such processed air if it is reasonably able to do so, at the Tenant's cost determined in accordance with the Landlord's standard rate schedule for such additional service in effect from time to time.
- (b) Any rebalancing of the climate control system necessitated by the installation of partitions, equipment or fixtures by the Tenant or by any use of the Premises not in accordance with the design standards of such system shall be performed by the Landlord at the Tenant's expense. The Landlord shall not be responsible for inadequate performance of the Building Systems if: (i) attributable to any arrangement of partitioning in the Premises or changes therein, the failure to shade windows which are exposed to the sun, the production by the Tenant of smoke, odours or contaminated air which the Building Systems are not designed to accommodate, or any use of electrical power by the Tenant which exceeds the standard of normal use as determined by the Landlord; (ii) the occupancy level of the Premises exceeds one person to every 150 square feet of Rentable Area of the Premises on an open floor basis; or (iii) the Tenant does not keep the heating, ventilation or air-conditioning vents or air returns free and clear of all obstructions.

7.2 Electricity and Other Utilities

- (a) The Landlord will provide and permit the Tenant to use the electricity, domestic water, sewage disposal and other utility services serving the Building in such quantities as the Landlord, from time to time determines to constitute normal use for tenants in the Building. The Tenant shall not overload the capacity of any such service. The Tenant shall not bring onto the Premises any installations, appliances or business machines which are likely to consume significant amounts of electricity or other utilities or which require special venting without the prior written consent of the Landlord. The Tenant shall not engage any Person to provide any utility service to the Premises.
- (b) The Landlord shall replace building standard and, at the Landlord's election, non-standard electric light fixtures, ballasts, tubes, starters, lamps, light bulbs and controls in the Premises. In carrying out its obligations, the Landlord may adopt a system of periodic group relamping in accordance with sound building management practices.
- (c) Direct and indirect costs relating to the use by the Tenant of electricity and other utility services in quantities which represent normal use for tenants in the Building, as determined by the Landlord, will form part of Operating Costs or be paid by the Tenant to the Landlord separately as Additional Rent, as and to the extent that the Landlord may elect from time to time. The Landlord may install, at the Tenant's expense, separate meters or other measuring devices in the Premises or elsewhere to measure the Tenant's consumption and the Landlord may use an Expert at the Tenant's sole cost to assist it in determining such consumption.
- (d) Subject to Unavoidable Delay and the provisions of Section 16.5 and, further, subject to maintenance requirements and requirements to repair and/or replace the Building Systems and Infrastructure, and the Landlord's reasonable security requirements in effect from time to time (which requirements are applied in a non-discriminatory manner), employees of the Tenant who have been provided with Building access cards shall be permitted access to the Premises twenty-four (24) hours per day, three hundred and sixty-five (365) days per year. There will be no deposit or fee required for the provision of such access cards. For greater certainty, Tenant is responsible for all additional costs incurred as a result of its conduct of business outside Business Hours pursuant to Article 7. The Landlord acknowledges that, subject to Unavoidable Delay and the provisions Section 16.5, the Tenant may, at its option, continue to carry on its business within the Premises during any power outages it being acknowledged that, during such power outages, the Landlord is under no obligation to provide emergency power to the Premises or the Building above that required to operate base Building emergency systems. The Landlord shall not be liable for any losses, costs, damages or liabilities whatsoever incurred by the Tenant if in the event any governmental, civic or other public authorities having jurisdiction in force from time to time deem that the Building is uninhabitable for any reason whatsoever and order the Building to be closed to the public (including all tenants of the Building) nor shall such closure be deemed a breach of the Landlord's covenant for quiet enjoyment under this Lease. The Landlord has illustrated, in Schedule "F" hereto, the procedures and scope of services provided to the Building (excluding leasable premises) in the event of a power blackout.

7.3 Special HVAC Services and Utilities and Excess Quantities

If the Tenant requests interior climate control services, electricity, sewage disposal, water or other utility services of a type or in quantities that exceed normal use by tenants in the Building, as determined by the Landlord, the Landlord shall supply such services if the Landlord determines, in its sole discretion, that the provision of such services: (a) is within the capacity of the Building Systems; (b) would not affect the operation, aesthetics or structure of the Building or Project; (c) would not reduce the efficiency of the existing services supplied to other tenants or parts of the Building or Project; and (d) is otherwise feasible. The Tenant will pay to the Landlord all costs, both non-recurring and recurring, of providing all such services. Such costs shall be determined by the Landlord, and may include installation at the Tenant's expense of separate meters or other measuring devices in the Premises or elsewhere and the Landlord may use an Expert at the Tenant's sole cost to assist it in determining such costs.

7.4 Other Landlord Services

- (a) The Landlord may shall provide janitorial services to the Premises in accordance with standards from time to time prevailing for similar office buildings in the area in which the Building is located. The Tenant shall grant access necessary for the performance of the janitorial services and shall leave the Premises in a condition that facilitates the performance of such services. All interior glass, curtains, carpets, rugs and drapes of any kind in the Premises shall be cleaned and maintained by the Tenant using contractors approved by the Landlord. If the Landlord does provide janitorial services to the Premises, the Tenant shall not otherwise engage any Person to provide cleaning or janitorial services to the Premises.
- (b) The Landlord shall provide elevator service during Business Hours for use by the Tenant in common with others, except when prevented by maintenance or repairs. Subject to emergencies, the Landlord will operate at least one passenger elevator for use by tenants at all times.
- (c) The Landlord shall provide necessary supplies in public washrooms sufficient for normal use by tenants in the Building.

7.5 Additional Services Provided by Landlord

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

7.6 Telecommunications

- (a) The Landlord shall incur no expense or liability whatsoever with respect to any aspect of the provision of telecommunication services, including, without limitation, the cost of installation, service, materials, repairs, maintenance, interruption or loss of telecommunication service.
- (b) The Tenant may utilize a telecommunication service provider (a "TSP") of its choice with the Landlord's prior written consent, but:
 - (i) If the TSP is required to provide or install facilities in the Building or Project in order to enable it to provide service to the Tenant, the Landlord must first determine that there is sufficient space in, or on the Building or Project for the installation of the TSP's facilities and that the TSP is acceptable to the Landlord; and
 - (ii) if the TSP intends to install, or has installed or purchased facilities situated in the Building or Project for the purpose of providing telecommunication services to tenants in the Building or Project, the Landlord may require the TSP to execute and deliver the Landlord's standard form of TSP license agreement and provide plans of the proposed installation.
- (c) The Landlord may deem it desirable to provide a central telecommunications cable distribution system ("CDS") in the Building or Project for use by TSPs and tenants. If the Landlord provides a CDS, the Tenant's TSP or the Tenant, as the case may be, may be required by the Landlord to use the CDS for its communications cabling needs on terms and conditions to be set by the Landlord. These terms and conditions will include obligations for the TSP, or the Tenant, as the case may be, to pay user fees and to contribute to Operating Costs associated with the CDS and a complete release of the Landlord and indemnity from the TSP, or the Tenant, as the case may be, in respect of the use of the CDS.
- (d) If the Tenant's approved TSP does not have a point of connection in the Premises, the Tenant may be required to install its own cable and facilities or to purchase cable and facilities from the Landlord for installation in the communication pathways and risers of the Building for

connection to the Tenant's TSP's facilities in the main terminal room, at the main distribution frame or at other points of connection designated by the Landlord. In such case: (i) the Tenant may be required to pay access fees; (ii) the Tenant may be required to remove such cable and facilities and restore any damage caused by the removal, or, at the Landlord's option, to pay the cost of removal and restoration; (iii) the Tenant will be required to contribute to the costs of riser management incurred by the Landlord; and (iv) the Tenant will be required to abide by any policies, directions or requirements of the Landlord or any riser manager retained by the Landlord and to pay, in addition, any direct costs invoiced to the Tenant by the riser manager in respect of plan review charges, inspection charges and other services provided by the riser manager to the Tenant.

- (e) If required by the Landlord, the Tenant shall change its TSP if the licence agreement referred to above in Section 7.5(b) is terminated or expires and is not renewed. The Tenant acknowledges that the Landlord has no obligation to ensure continuation of services by the Tenant's TSP or any other TSP in the Building.
- (f) The Landlord may require, upon 30 days' prior written notice, that the Tenant relocate all or any portion of the cables or facilities installed by it.

7.7 Signs and Premises Identification

The Tenant shall not erect, affix, install or maintain any signs, lettering, identification or any promotional or other written materials visible from the exterior of the Building or Project or from any interior Common Areas and Facilities. The Landlord shall, at the request and expense of the Tenant, supply and install: (a) on or near the entrance door of the Premises a sign bearing the name of the Tenant; ~~(b) identification in any elevator lobby~~ *directional signage on the Tenant's floor;* and (eb) one entry in any directory board for the Building, each in accordance with the Landlord's uniform scheme for identification signage. Any tenant occupying at least a full floor in the Building may, subject to having received the Landlord's prior written approval as to design, location, material and method of installation, supply and install its own sign in the elevator lobby of each full floor occupied by it.

ARTICLE 8 - OPERATION, CONTROL AND MAINTENANCE BY LANDLORD

8.1 Operation of the Building by Landlord

The Landlord shall operate the Building in accordance with all Applicable Laws and with standards from time to time prevailing for similar office buildings in the area in which the Building is located, subject, however, to the limitations occasioned by the design and age of the Building and the capacity of its systems.

8.2 Control of the Project by Landlord

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

- (a) make repairs, replacements, changes or additions to the structure, systems, facilities and equipment in the Project (including the Premises) where necessary to serve the Premises or other parts of the Project;
- (b) make changes or additions to any part of the Project not in or forming part of the Premises including, without limitation, dedicating or conveying portions of the Lands, granting easements, rights-of-way, restrictive covenants or other interests in the Lands and constructing additional improvements in or adjoining the Lands;
- ~~(c) rearrange the Premises, or take back from or demise to the Tenant space in or adjoining the Premises (not, however, exceeding 300 square feet in any one instance), as may from time to time be required by the Landlord, acting reasonably, for the benefit of the Project or other tenants or occupants thereof, and the Landlord and the Tenant shall co-operate with each other in that regard, and shall execute such further agreements and lease amendments as may be required to give effect to this provision;~~
- (d) own or acquire from time to time lands or buildings contiguous to or near the Project and may at its option retain them separately or have them included as part of the Project. The Landlord may from time to time cease to include as part of the Project any buildings or vacant lands now or hereafter forming part of the Project;
- (e) whenever the Landlord determines that this is necessary, terminate temporarily or amend the Tenant's right of use of any of the Common Areas and Facilities and in the exercise of its right herein, the Landlord shall act bona fide and not in a manner that is discriminatory solely as against the Tenant, change the location and size of any of the Common Areas and Facilities or use parts of the Common Areas and Facilities for promotional or other activities;

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

provided that in the course of the Landlord's exercise of its rights hereunder, the Landlord shall be deemed not to have re-entered the Premises nor to have breached any obligation of this Lease. The Landlord shall perform all of its work as expeditiously as is reasonable so as to interfere as little as is reasonably possible with the Tenant's use of the Premises.

8.3 Name of Building

The Landlord may from time to time designate a name or other identification for the Building or Project. The Tenant shall be responsible for any costs it incurs as a result of any changes in the name or identification (such as changes to its electronic medium, stationery and other material). The Tenant shall have no rights in any such names or identification.

8.4 Maintenance and Repair by Landlord

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

- (a) the Structural Components, exterior walls, windows and roofs of the Building; and
- (b) the Common Areas and Facilities,

provided that:

- (c) if all or part of Building Systems require repair, replacement, maintenance or inspections, the Landlord shall have a reasonable time in which to complete such work, and during such time shall only be required to maintain such services as are reasonably possible in the circumstances; and
- (d) no reduction or discontinuance of such services or loss of use of the Premises shall be construed as an eviction of the Tenant or (except as specifically provided in this Lease) release the Tenant from any obligation under this Lease.

8.5 Access by Landlord

The Tenant shall permit the Landlord, its agents and others authorized by it, to enter the Premises to inspect, to provide services or to make repairs, replacements, changes or alterations as set out in this Lease, to take such steps as the Landlord may deem necessary for the safety, improvement, alteration or preservation of the Premises or the Project and to show the Premises to Mortgagees, prospective Mortgagees, purchasers and prospective purchasers and, during the last 18 months of the Term, to prospective tenants, and no such entry shall constitute a re-entry by the Landlord or an eviction or entitle the Tenant to any abatement of Rent. However, in effecting such entry the Landlord shall use reasonable efforts to minimize interference with the Tenant's use and enjoyment of the Premises, and the Landlord shall endeavour to give the Tenant at least twenty-four (24) hours' prior notice before doing any repair or maintenance work (other than in the case of an emergency or apprehended emergency).

8.6 Relocation

The Landlord shall have the right, in its sole discretion, from time to time, on not less than 60 days' written notice to the Tenant, to relocate the Premises to other premises within the Project having approximately the same area as the Premises. The Landlord shall be entitled to designate the location of the new premises and the date by which the Tenant must relocate to the new premises, and such location and date shall be specified in the written notice. As of the date so specified, the Tenant's right to use and occupy the Premises will terminate, whether or not the Tenant has moved, unless the Landlord has in its sole discretion by another notice in writing extended such date. The Tenant shall on the date set out in the notice from the Landlord relocate to the other premises and vacate the Premises, and the provisions of Section 9.3 shall apply in respect of the Premises on such date. If the Landlord relocates the Premises prior to occupancy of the Premises by the Tenant, it shall reimburse the Tenant for all expenses already incurred by the Tenant in preparing to move into the Premises to the extent that such expenditure is for items or materials not usable in the alternate premises. If the Landlord relocates the Tenant after occupancy of the Premises by the Tenant, the Landlord shall provide the relocated premises improved to a standard and using materials of approximately the same quality as the Leasehold Improvements which exist in the existing Premises at the time of

relocation and will reimburse the Tenant (upon receipt of copies of receipted third party invoices) for direct costs associated with the relocation, including, without limitation, moving costs, reprinting of a limited supply of stationery and supplies and disconnection and reconnection of telephone and computer equipment and systems. In no case will the Tenant be reimbursed or compensated for indirect costs including overhead, overtime charges or loss of profits and the Tenant will minimize costs by re-using all fixtures and trade fixtures from the Premises where it is feasible to do so. The Landlord agrees to use reasonable efforts to effect the relocation with a minimum of disruption to the Tenant's business. The Landlord and the Tenant shall enter into a lease amending agreement in the Landlord's standard form to confirm the terms of the relocation including, without limitation, any adjustment to the Basic Rent if the Rentable Area of the relocated premises is different than the Rentable Area of the existing Premises and to confirm that all other terms and conditions of this Lease shall apply with respect to the relocated premises for the remainder of the Term.

Notwithstanding the foregoing provisions of this Section 8.6, for so long as the Tenant is CanWest MediaWorks Publications Inc. or a Permitted Transferee, the provisions of this Section 8.6 shall not apply to the whole or any portion or portions of the Premises within which the CanWest MediaWorks Publications Inc., or a Permitted Transferee, is carrying on business. For clarity, the Landlord shall have the right to relocate all or any portion or portions of the Premises which (1) has been sublet by CanWest MediaWorks Publications Inc., or its Permitted Transferee, or (2) CanWest MediaWorks Publications Inc., or its Permitted Transferee, has permitted a change in occupancy, or (3) within any portion or portions of the Premises within which CanWest MediaWorks Publications Inc., or its Permitted Transferee, is not in occupation of and carrying on its business for a period of six (6) consecutive months or more following receipt of notice by the Landlord which CanWest MediaWorks Publications Inc., or a Permitted Transferee, has not cured.

ARTICLE 9 - MAINTENANCE AND ALTERATIONS BY TENANT

9.1 Maintenance and Repair by Tenant

The Tenant shall at its sole cost maintain and repair the Premises and all Leasehold Improvements in good order and condition to the standards from time to time prevailing for similar office buildings in the area in which the Building is located, subject to reasonable wear and tear not inconsistent with such standard and with the exception only of those repairs which are the obligation of the Landlord under this Lease and subject to Article 14.

9.2 Alterations by Tenant

The Tenant may from time to time at its own expense install Leasehold Improvements and alter existing Leasehold Improvements (the "Alterations") provided that:

- (a) all Alterations shall require the prior written approval of the Landlord, which approval may be withheld or conditioned by the Landlord, acting reasonably, ~~in its sole discretion~~, save and except for minor alterations to Leasehold Improvements which do not affect the structure of the Building or Project, any exterior walls, windows or roof, any of the Building Systems or the aesthetics of the Building or Project and which do not require a building permit, provided the Tenant has given written notice with reasonable detail of the proposed Alterations to the Landlord in advance;
- (b) for Alterations which require the Landlord's approval, the Tenant shall furnish the Landlord with two complete sets of professionally prepared working drawings (which shall include any architectural, structural, electrical, mechanical, computer system wiring and telecommunication plans) of the proposed Alterations. The Tenant shall retain the Landlord's base building mechanical, electrical and structural engineering consultants to ensure compatibility of the Building Systems and the Alterations. If the Tenant uses other consultants for the preparation of the Tenant's working drawings, then the Landlord may elect to retain architects and engineers to review such working drawings for the purpose of approving the proposed Alterations (it being understood that notwithstanding such approval, the Landlord shall have no responsibility with respect to the adequacy of such working drawings). The Tenant shall pay to the Landlord, on demand, the incurred costs of the examination of such drawings by either the Landlord or an outside consultant plus an administration fee of 15% of such costs. Notwithstanding the foregoing, the Tenant shall not be responsible to pay to the Landlord the administration fee of fifteen percent (15%) of the costs of the examination of the Tenant's drawings if the Tenant has engaged the Landlord's consultant to prepare such drawings
- (c) the Alterations shall be subject to regulation, supervision, control and inspection by the Landlord and, in addition to any other payment contained in this Article, the Tenant shall pay to the Landlord, on demand, the Landlord's then current fee for coordination services provided by the Landlord during the Tenant's construction of its Alterations;
- (d) the Tenant shall provide, prior to the commencement of Alterations, evidence of required workers compensation coverage and proof of owner and contractors protective liability insurance coverage, with the Landlord, any property manager and any Mortgagee as required by the Landlord, to be named as additional insureds, in amounts, with insurers, and in a form satisfactory to the Landlord, which shall remain in effect during the entire period in which the

Alterations will be carried out. In addition, if requested by the Landlord, the Tenant shall provide proof of performance and payment bonds being in place;

- (e) the Tenant will deliver a list identifying every contractor and subcontractor, accompanied by an up-to-date valid clearance certificate for each of them issued by the appropriate workers compensation, safety and insurance authority and the Landlord shall have approved, prior to commencement of the Alterations, such contractors and subcontractors and their respective labour affiliations. The Tenant will not use any contractor or permit the use of any sub-contractor that is not identified on the list;
- (f) if any proposed Alterations could affect the structure, the floors (other than replacement floor coverings), the ceiling, the roof, the beams or columns, the exterior walls or the Building Systems, the Landlord may in its sole discretion require that any such Alterations be performed by either the Landlord or its contractors in which case the Tenant shall pay the Landlord's cost plus an administration fee of 15%;
- (g) the Tenant shall have provided to the Landlord a copy of the contract for the Alterations and evidence satisfactory to the Landlord as to the existence of all necessary permits;
- (h) the Tenant shall perform the Alterations or cause the Alterations to be performed: (i) in accordance with any construction methods and procedures manual for the Building or Project; (ii) in accordance with the plans and specifications submitted to and approved in writing by the Landlord; (iii) in accordance with any conditions, regulations, procedures or rules imposed by the Landlord; (iv) in compliance with all Applicable Laws; and (v) in a good and workmanlike and expeditious manner using new materials;
- (i) the Landlord may inspect construction as it proceeds;
- (j) upon completion of the Alterations, the Tenant shall provide the Landlord with a complete set of "as built" drawings in hard copy and AutoCad format for the Alterations; and
- (k) if the Tenant, fails to observe any of the requirements of this Article, the Landlord may in its sole discretion, after forty-eight (48) hours' notice to the Tenant within which time the Tenant fails to remedy the non-observance, require that construction stop and, at the Landlord's option, that the Premises be restored to their prior condition failing which the Landlord may do so and the Tenant shall pay the Landlord's cost plus an administration fee of 15%.

9.3 Removal of Improvements and Fixtures

All Leasehold Improvements shall immediately upon their placement become the Landlord's property without compensation to the Tenant. Except as otherwise directed by the Landlord in writing, no Leasehold Improvements or trade fixtures shall be removed from the Premises by the Tenant either during or at the expiry or earlier termination of the Term except that:

- (a) the Tenant may, during the Term, in the usual course of its business or if no longer required by the Tenant or in connection with a Transfer to which the Tenant has obtained the Landlord's consent (if required), from time to time remove its trade fixtures and Tenant's Property (as hereinafter defined) provided that the Tenant is not in default under this Lease. For the purposes of this Section 9.3(a), "Tenant's Property" means all chattels, furniture, trade fixtures and/or equipment, software, video tape and equipment, personal property, shelving, storage equipment, dishwasher, appliances and such other items used in connection therewith from time to time. Notwithstanding anything contained to the contrary in this Lease, so long as the Tenant is not in default under this Lease, the Tenant shall have the right to grant security over the Tenant's Property provided that any proceeds received for such security are invested directly in the business operations in the Premises and provided, further, that in no event shall any such financing attach to or encumber this Lease, the Leasehold Improvements or the Premises; and
- (b) the Tenant shall, at its sole cost do the following (the "Restoration"): (i) remove all of its trade fixtures; and (ii) remove such of the Leasehold Improvements and wiring and cables and related devices and equipment and restore the Premises and any other part of the Project affected thereby to the then current base building standard of the Building as established by the Landlord from time to time, all as the Landlord shall require by notice prior to the expiration of the Term. Such Restoration shall be completed by the date (the "Restoration Date") that is the later of: (A) the end of the Term; and (B) 15 days after the Landlord's notice, provided that in the event of termination of this Lease prior to the expiry of the Term, such Restoration shall be completed no later than 15 days after the date the Landlord recovers possession of the Premises. Despite the foregoing the Tenant shall leave in place and in an unimpaired condition such Leasehold Improvements and wiring, cables and related devices and equipment as the Landlord may by notice in writing direct, if any. Further, provided the Tenant has complied with its obligations under this Lease and maintained, repaired and replaced the Premises as a prudent owner, at the expiry of the Term, the Tenant shall return the Premises to the Landlord in the condition the Tenant was required to maintain same, subject to reasonable wear and tear as would be permitted by a prudent owner which in any event does not

detract from the overall first-class nature of the Premises or the function of any systems, facilities or improvements thereon.

The Tenant shall at its own expense repair any damage caused to the Project by the Leasehold Improvements, trade fixtures or wiring, cables and related devices and equipment and/or such Restoration. If the Tenant does not remove its trade fixtures, or wiring, cables and related equipment prior to the expiry or earlier termination of the Term, such trade fixtures or wiring, cables and related devices and equipment shall, at the option of the Landlord, be deemed abandoned and become the property of the Landlord and may be removed from the Premises and sold or disposed of by the Landlord in such manner as it deems advisable and the Tenant shall pay to the Landlord on demand all costs incurred by the Landlord in connection therewith, plus an administration fee of 15% of the costs. The Tenant at the end of the Term shall peacefully surrender and yield up possession of the Premises to the Landlord in as good a condition, repair and decoration as that in which the Tenant is required to maintain the Premises throughout the Term (including as provided for in Section 9.1), shall return to the Landlord at the Landlord's management office for the Project all keys and other entry devices for the Premises and the Project which are in the possession of the Tenant, and shall inform the Landlord of all combinations of locks, safes and vaults, if any, that will remain in the Premises. If the Tenant fails to complete any work or effect any of the other matters referred to in this Section within the period specified, the Tenant shall pay compensation to the Landlord for damages suffered by the Landlord for loss of use of the Premises, which damages shall not be less than ~~double~~ one hundred and fifty percent (150%) of the per diem Rent payable during the last month preceding the expiry or earlier termination of the Term (or which would have been payable but for any discount or rent-free period applicable to such last month). Further, if the Tenant does not complete the Restoration by the Restoration Date the Landlord may carry out such Restoration and the Tenant shall pay to the Landlord the cost of the Restoration plus an administration fee of 15%. The Tenant's obligations in this Section 9.3 shall survive the end of the Term or earlier termination of this Lease.

Notwithstanding anything contained in the foregoing to the contrary, so long as it is CapWest MediaWorks Publications Inc. or a Permitted Transferee, that is at all times (subject to its right to cease operating in Section 10.1(c)) the party in actual occupancy of and conducting business in the whole of the Premises (it being understood that this paragraph shall not apply to any subtenant, licensee, assignee or other occupant) upon the expiry or earlier termination or sooner surrender of this Lease, the Tenant's obligation for removal of Leasehold Improvements shall extend only to the following improvements ("Non-Standard Leasehold Improvements") and shall restore the Premises and the Building to the condition in which they existed prior to the installation and removal of such Non-Standard Leasehold Improvements. For the purposes of this Lease, the term "Non-Standard Leasehold Improvements" shall mean: any dry-wall ceilings, non-base building standard lighting, any raised-floor environments; vaults and safes, studio improvements, wiring and cabling, dedicated generator installations, roof top installations or other communication facilities, and any installations/improvements made to lower level dead storage areas.

Furthermore, in the event of any Transfer (other than a Transfer to a Permitted Transferee), the Tenant, at its sole cost and expense, shall be required to remove such of the Transferee's Leasehold Improvements and wiring and cables and related devices and equipment of such Transferee and restore the Premises and any other part of the Project affected thereby to the condition evident at the time of the original scope of the Tenant's Alterations to the Premises effected with the Landlord's consent, all as the Landlord shall require by notice prior to the expiration of the Term.

9.4 Liens

The Tenant shall pay before delinquency for all materials supplied and work done in respect of the Premises so as to ensure that no lien or claim of lien is registered against any portion of the Lands or Project or against the Landlord's or Tenant's interest in the Lands or Project. If a lien or claim of lien is registered or filed, the Tenant shall discharge it at its expense within five Business Days after notice from the Landlord (or sooner if such lien or claim is delaying a financing or sale of all or any part of the Project), failing which the Landlord may at its option discharge the lien or claim of lien by paying the amount claimed to be due into court and the amount so paid and all expenses of the Landlord including legal fees (on a solicitor and client basis) shall be paid by the Tenant to the Landlord. The Tenant shall not mortgage, charge, grant a security interest in or otherwise encumber any Leasehold Improvements.

9.5 Notice by Tenant

The Tenant shall promptly notify the Landlord of any accident, casualty, defect, damage or deficiency which occurs or exists in any part of the Project and which comes to the attention of the Tenant. Notwithstanding subsection 16.7 below, a notice under this Section may be delivered by facsimile at the fax numbers as provided in subsection 1.1(a)(ii) hereof and such notice shall be deemed to have been given and received on the first business day (excluding Saturdays, Sundays and holidays) after confirmation of transmission is received by the sender.

ARTICLE 10 - USE OF PREMISES

10.1 Permitted Use

- (a) The Tenant shall actively and diligently throughout the Term of this Lease and any extensions thereof, in a first-class, reputable manner befitting the reputation and image of the Building, use the whole of the Premises only as a business office for the purpose of a multi-media organization which includes media such as televisions, newspapers, books, interactive and radio, and televisions studios and related

operations, and for no other purpose. The Tenant shall not use the Premises in a manner which does or could result in excessive demands being placed on the Building Systems or other Common Areas and Facilities. The Tenant acknowledges that the Landlord is making no representation or warranty as to the Tenant's ability to use the Premises for its intended use, and the Tenant shall prior to executing this Lease perform such searches and satisfy itself that its use is permitted under all Applicable Laws and that the Tenant will be able to obtain an occupancy permit.

- (b) Tenant agrees that it shall not be permitted at any time during the Term and all extensions or renewals thereof to carry out any business in the Premises not included within the permitted use set out in Subsection 10.1(a) and in such a manner as to infringe upon any exclusive use provisions which the Landlord has granted or may grant from time to time provided no such future exclusive use shall in any way prohibit Tenant from carrying on its permitted use as provided in subsection 10.1(a) herein. Tenant shall indemnify and save the Landlord harmless from any and all liability, losses, damages and expenses incurred or suffered by Landlord in connection with the infringement or alleged infringement by Tenant of any of such exclusive use provisions listed or in remedying or attempting to remedy such infringement or alleged infringement including, without limitation, Landlord's reasonable, outside legal fees and expenses on a substantial indemnity basis.
- (c) Notwithstanding anything to the contrary contained in this Section 10.1, provided the Tenant is CanWest MediaWorks Publications Inc., or a Permitted Transferee, and, further, provided the Tenant is not in default hereunder, the Tenant shall have the right to cease business operations on the Premises ("Cease Conducting Business") on and subject to the following terms:
- (i) the Tenant shall give the Landlord not less than thirty (30) days' prior written notice of its intention to Cease Conducting Business ("Cease Conducting Business Notice");
 - (ii) the Landlord shall have the right to enter the Premises so vacated to show same to prospective lessees and such access shall not constitute a breach of the Tenant's quiet enjoyment nor in any way limit or affect the Tenant's obligations hereunder which shall continue throughout the Term;
 - (iii) such right to Cease Conducting Business shall be subject to there being no risk of the resulting cancellation of or material adverse change in any insurance coverage related to the Premises;
 - (iv) the Tenant shall take all such steps as may be reasonably necessary or required by the Landlord to maintain security in respect of the Premises;
 - (v) the Tenant shall continue to perform all other obligations under this Lease, including payment of all Rent payable under this Lease, notwithstanding that the Tenant is no longer occupying the Premises;
 - (vi) the Landlord shall have the right to access the Premises at any time, without having to provide notice; notwithstanding any provision in this Lease requiring notice to be provided prior to access by the Landlord, to inspect same and same shall not constitute a breach of quiet possession or entitle the Tenant to terminate this Lease or any damages; and
 - (vii) at the Landlord's option, the Tenant shall have an employee or other person approved by the Landlord to attend at the Premises regularly to inspect same and effect such maintenance, repairs or replacements as may be required under this Lease.

If, within six (6) months following the Tenant's delivery of the Cease Conducting Business Notice, the Tenant has not resumed the conduct of business in the Premises, at its option, the Landlord may terminate this Lease upon no less than thirty (30) days' prior written notice to the Tenant of its intention to do so. If the Tenant recommences occupancy of or conduct of business in the Premises within such period of thirty (30) days, or commits in writing within such period to do so within a further period of not greater than sixty (60) days, and provided that and so long as the Tenant does occupy and conduct business in the Premises, the Landlord shall not exercise such right of termination. If the Landlord thereafter exercises such right of termination, the Tenant shall vacate the Premises on the date required by the Landlord and shall deliver up vacant possession of the Premises in the state and condition the Tenant is required to maintain the Premises pursuant hereto.

The Tenant acknowledges that notwithstanding the rights granted to the Landlord pursuant to this section, such rights shall be exercised in the Landlord's sole discretion and there shall be no implied obligation on the Landlord to market or re-let the Premises.

10.2 Compliance with Laws

The Tenant shall use and occupy and shall cause the Premises to be used and occupied in compliance with all Applicable Laws and in a safe, careful and proper manner. It is the Tenant's responsibility to ensure that its use from time to time is permitted by all Applicable Laws. At the Landlord's request the Tenant shall comply with any directive, policy or request of any governmental or quasi-governmental authority or any other reasonable request of the Landlord, in respect of any energy conservation, waste management, safety, security or other matter relating to the operation of the Project. If due primarily to the Tenant's use or occupancy of the Premises, improvements or changes are necessary to comply with any Applicable Laws or with any such directive, policy or request or with the requirements of insurance carriers, the Landlord may at its option either do the necessary work, at the expense of the Tenant, or forthwith give notice to the Tenant to do such work within the requisite period of time and the Tenant shall then do such work within the requisite period of time. The Tenant shall pay to the Landlord the costs of any such work done by the Landlord, together with an administration fee of 15%. The Landlord covenants and agrees that as of the Commencement Date of the Term, any Landlord's Work required to be done pursuant to Schedule "E" with respect to the Premises shall comply with the requirements of all governmental authorities

having jurisdiction relating to the Landlord's Work, including, without limitation, all permits and approvals obtained from such appropriate governmental authorities relating to the Landlord's Work.

10.3 Nuisance, Interference, Waste, Overloading

The Tenant shall not cause or allow any act or thing which constitutes a nuisance or which is offensive to the Landlord or other occupants of the Project or which interferes with the operation of any Building Systems or with the computer equipment, telecommunication equipment or other technological equipment of the Landlord, any service providers or other occupants of the Project. The Tenant shall keep the Premises free of debris and other items that might attract rodents or vermin and free of anything of a dangerous, noxious or offensive nature or which could create a fire, environmental, health or other hazard (including any electromagnetic fields or other forms of radiation) or undue vibration, heat or noise. The Tenant shall not cause or allow any overloading of the floors of the Project or the bringing into any part of the Project, including the Premises, of any articles or fixtures that by reason of their weight, use or size might damage or endanger the structure or any of the Building Systems.

As of the date hereof, the Landlord hereby acknowledges that, to the best of the information, knowledge and belief of any person executing this Lease on behalf of the Landlord and without due inquiry, it is not aware of the presence of Hazardous Substances (as hereinafter defined) in the Premises. "Hazardous Substances" means any substance or thing or mixture of them which alone, or in combination, or in concentrations, are flammable, corrosive, reactive or toxic or which might cause adverse effects or be deemed detrimental to living things or to the environment, including, but not limited to, any pollutant, contaminant, toxic or hazardous substance, such as by way of example, urea formaldehyde, asbestos, polychlorinated biphenyl, pesticides, mold, mildew, mycotoxins or microbial growths or any other substance the removal, manufacture, preparation, generation, use, maintenance, storage, transfer, handling or ownership of which is subject to all Applicable Laws.

10.4 Rules and Regulations

The Tenant shall comply and cause every Person over whom it has control to comply with the Rules and Regulations. The Landlord shall have the right from time to time to make amendments, deletions and additions to such Rules and Regulations. If the Rules and Regulations conflict with any other provisions of this Lease, the other provisions of this Lease shall govern. The Landlord shall not be obligated to enforce the Rules and Regulations and shall not be responsible to the Tenant for failure of any person to comply with the Rules and Regulations. The Rules and Regulations may differentiate between different types of tenants, different parts of the Building or the Project or otherwise. The Landlord agrees that it will not enforce the Rules and Regulations in a manner that is discriminatory to the Tenant.

ARTICLE 11 - INSURANCE, LIABILITY AND INDEMNITY

11.1 Tenant's Insurance

The Tenant shall effect and maintain from the earlier of the Commencement Date and the date the Tenant begins operating in the Premises, and thereafter during the Term, at its sole cost and expense:

- (a) "all risks" insurance upon all property owned by the Tenant or by others and for which property the Tenant is responsible located in the Project including equipment, furniture, fixtures and Leasehold Improvements in amounts sufficient to fully cover, on a replacement cost basis without deduction for depreciation, all such items;
- (b) if applicable, comprehensive form boiler and machinery insurance on a blanket repair and replacement basis with limits for each accident in an amount not less than the full replacement cost of all Leasehold Improvements and all property in the Premises not owned by the Landlord;
- (c) commercial general liability insurance on an occurrence basis, against claims for bodily injury, personal injury, economic loss and property damage arising from occurrences in or about the Project or arising from or in any way relating to the Tenant's use or occupancy of the Premises or the Project, contractual liability (including coverage of the indemnities provided for in this Lease), non-owned automobile liability and owner and contractors protective liability, in amounts which are from time to time acceptable to a prudent tenant in the community in which the Building is located (as determined by the Landlord), but not less than \$5,000,000.00 in respect of each occurrence;
- (d) Tenant's legal liability insurance for the full replacement cost of the Premises including loss of the use of the Premises;
- (e) business interruption insurance for a minimum period of 24 months in an amount that will reimburse the Tenant for direct or indirect loss of earnings attributable to all perils insured against in Sections 11.1(a) and 11.1(b) or attributable to prevention of access to the premises or the Building as a result of any such perils, including extra expense insurance if applicable; and
- (f) any other form of insurance that the Landlord or any Mortgagee may require from time to time in form, amounts and for insurance risks acceptable to the Landlord and any Mortgagee.

Should the Tenant fail to maintain any of the insurance required pursuant to this Section 11.1 and should such default continue for two Business Days after notice to the Tenant, then in addition to any other rights and remedies, the Landlord may, but shall have no obligation to, elect to obtain the required insurance and the Tenant shall upon demand pay to the Landlord, as Rent, the Landlord's cost of obtaining such insurance, together with an administration fee of 15%.

11.2 Form of Tenant Policies

Each policy required pursuant to Section 11.1 shall be in a form and with insurers acceptable to the Landlord, having reasonable deductibles, and: (a) the insurance described in Sections 11.1(a) and 11.1(b) and any other property damage insurance shall include, as additional named insureds (but without liability for premiums) as its interests may appear the Landlord, any Mortgagee and other Persons with an interest in the Project from time to time designated in writing by the Landlord; (b) the insurance described in Section 11.1(c) shall include as additional named insureds (but without liability for premiums) the Landlord, any Mortgagee, any other Persons with an interest in the Project from time to time designated in writing by the Landlord and any property manager or facilities manager retained by the Landlord in respect of the Project; (c) all property damage and liability insurance shall contain provisions for cross-liability and severability of interests among the Landlord, the other insureds and the Tenant; and (d) all property damage insurance (including boiler and machinery insurance) shall contain a waiver of any rights of subrogation which the insurer may have against the Landlord and those for whom the Landlord is in law responsible whether the damage is caused by the act, omission or negligence of the Landlord or such other Persons.

11.3 Certified Copies and Notice to Landlord

The Tenant shall provide to the Landlord, prior to the earlier of the Commencement Date and the date the Tenant begins operating in the Premises, certified copies certificates of insurance on a form acceptable to the Landlord, duly executed by the Tenant's insurers or other evidence satisfactory to the Landlord that the Tenant has obtained all insurance policies required by this Lease and shall provide written evidence of the continuation of such policies not less than ten days prior to their respective expiry dates. Each policy required pursuant to Section 11.1 shall provide that: (a) the insurer must shall endeavour to notify the Landlord and any Mortgagee in writing at least 30 days prior to ~~any material change detrimental to the Landlord or any Mortgagee~~ or the cancellation of any such policy; (b) the policy shall not be invalidated in respect of the interests of the Landlord or any Mortgagee or any other additional insureds by reason of any breach or violation of any warranties, representations, declarations or conditions contained in such policy; and (c) the policy shall be non-contributing with, and shall apply only as primary and not excess to any other insurance available to all and any of the Landlord, any Mortgagee or any other additional insured referred to above.

11.4 Landlord's Insurance

The Landlord shall effect and maintain during the Term: (a) liability insurance; (b) "all risks" property insurance; (c) boiler and machinery insurance; and (d) such other insurance on the Building and all property and interest of the Landlord in the Building as determined by the Landlord, acting as would the prudent owner of a similar first class office building having regard to size, age and geographical location, in each case, to the extent, with coverage and in amounts as determined by the Landlord from time to time, as would be maintained by the prudent owner of a similar first class office building having regard to size, age and geographical location. However, despite any other provision of this Lease, as long as Sun Life Assurance Company of Canada or an affiliate thereof (as the term "affiliate" is defined in the Canada Business Corporations Act or the Insurance Companies Act (Canada)) is the Landlord, the Landlord may self-insure, in whole or in part, in respect of any and all casualties; in that event upon the request of the Tenant from time to time the Landlord will furnish a statement as to the perils in respect of which and the amounts to which it has insured the Project and the improvements and installations in the Premises, and also of the perils and amounts as to which the Landlord is self-insuring the Project and the improvements and installations in the Premises. Under its policies and in accordance with this Lease, as its interests appear and as applicable, the Tenant shall be included as an additional insured under the Landlord's policy. The policies of insurance referred to in this Section 11.4 shall contain a waiver of the insurer's right of subrogation as against the Tenant and those for whom the Tenant is in law responsible. The Landlord agrees, upon written request of the Tenant, to provide the Tenant with a certificate of insurance evidencing the insurance it carries with respect to the Building.

11.5 Insurance Risks

The Tenant shall not do, omit to do, or permit to be done or omitted to be done upon the Premises or any other portion of the Project anything that may contravene or be prohibited by any of the Landlord's insurance policies in force from time to time covering or relevant to any part of the Project or which would prevent the Landlord from procuring such policies with companies acceptable to the Landlord. If the occupancy of the Premises, the conduct of business in the Premises or any acts or omissions of the Tenant in the Premises or any other portion of the Project causes or results in any increase in premiums for any of the Landlord's insurance policies, then, without limiting any other rights or remedies of the Landlord, the Tenant shall pay any such increase and a 15% administration fee thereon as Additional Rent forthwith upon receipt of the invoices of the Landlord for such additional premiums. A written report by an Expert at the Tenant's sole cost concerning the cause of any increase in premiums will be accepted as conclusive evidence of the cause for the purposes of determining the Tenant's liability to pay for increases as Additional Rent. If the Landlord has chosen to self-insure, the Tenant will pay to the Landlord, as Additional Rent forthwith upon receipt of the invoices of the Landlord setting out reasonable particulars, the charges that otherwise would have been payable under this subsection (including the 15% administration fee thereon) had the Landlord not chosen to self-insure.

11.6 Release of Landlord

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

- (a) any and all claims, actions, causes of action, damages, demands for damages and other liabilities:
 - (i) for or related to any bodily injury, personal injury, illness or discomfort to or death of the Tenant or any of its agents, officers, contractors, employees, invitees, licensees and any other Person for whom the Tenant is legally responsible in or about the Project or the Premises; and
 - (ii) for or related to any loss or damage to property owned by the Tenant or by others and for which property the Tenant is responsible in or about the Project or the Premises, and, without limiting the foregoing, the Landlord shall not be liable for any damage caused by steam, water, rain or snow which may leak into, issue or flow from part of the Project, including the Premises, or from the pipes or plumbing works thereof, or from any other place or for any damage caused by or attributable to the condition or arrangement of any electric or other wiring;
- (b) any loss or damage caused as a result of any damage, destruction, construction, alteration, expansion, expropriation, reduction, repair or reconstruction from time to time of the Project, any parts or components of the Project or of improvements on adjoining properties or by anything done or omitted to be done by any other tenant or occupant;
- (c) any act or omission (including theft, malfeasance or negligence) on the part of any agent, contractor or person from time to time employed by Landlord to perform janitorial services, security services, supervision or any other work in or about the Premises or the Project if and so long as such person(s) are bonded;
- ~~(d) any loss or damage, however caused, to books of account, records, files, money, securities, negotiable instruments, papers, computer disks, tapes, software, data and other electronic files and their storage media of any kind or to other valuables of the Tenant including art, artworks, statutory, antiques, gems and precious metals of the Tenant and of others;~~
- ~~(e) any loss or damage arising from obstruction of deliveries to or from the Premises or interruption, cessation, faulty operation, breakdown or failure of any Building Systems, including but not limited to, the supply of any utilities, telecommunication services (whether controlled or owned by the Landlord or not) or other services in, to or serving the Project or the Premises, whether they are supplied by the Landlord or by others; and~~
- ~~(f) any indirect or consequential damages including, but not limited to, loss of profits~~

Notwithstanding anything contained in this Section 11.6 to the contrary, it is understood and agreed that the Landlord is liable for claims, actions, causes of action, damages, demands for damages and other liabilities for or related to any such death or injury or any such direct (and not indirect or consequential) damage to property referred to in this Section 11.6 if any such death or injury or any such direct damage to property is caused by or to the extent contributed to by the negligence of the Landlord or other Persons for whom it is in law responsible.

11.7 Release of Tenant

The Landlord hereby releases the Tenant, and its agents, officers and employees, and any other Person for whom the Tenant is legally responsible from any liability or claim that may be made by the Landlord against the Tenant under the provisions of this Lease with respect to such loss to the extent of the lesser of: (a) the amount, if any, by which such loss exceeds the amount of insurance the Tenant is required to maintain under the terms of this Lease or actually maintains, whichever is greater; and (b) the proceeds actually paid to the Landlord with respect to such loss under the policies of insurance maintained by the Landlord pursuant to Section 11.4 or which would have been paid if the Landlord had maintained the insurance required under this Lease and had diligently processed any claims thereunder. This release shall be operative only if it is not prohibited by the Landlord's insurance policies and would not place the Landlord in breach of such policies or expose the Landlord to additional costs under or in connection with such policies.

11.8 Indemnity by Tenant

The Tenant shall indemnify and save harmless the Landlord from and against any and all claims, actions, causes of action, damages, demands for damages, losses and other liabilities and expenses (including, without limitation, those

in connection with bodily injury (including death), personal injury, illness or discomfort or damage to property and reasonable outside legal fees on a solicitor and client basis) due to or arising from or out of all and any of:

- (a) subject to Section 11.7, any occurrence in, on or at the Premises or the occupancy or use by the Tenant of the Premises or any other part of the Project or occasioned wholly or in part by any act or omission of the Tenant, its officers, employees, agents, contractors, invitees, licensees or by any Person permitted by the Tenant to be on the Premises or the Project or due to or arising out of any breach by the Tenant of this Lease; and
- (b) any fault, default, negligence, gross negligence, wilful action or omission of the Landlord, its agents, servants, employees or anyone for whom at law the Landlord is liable, which causes interference with or obstruction of deliveries to or from the Premises or interruption, cessation, faulty operation, breakdown or failure of the Building Systems or utilities or services, including but not limited to telecommunication or similar services (whether they are part of the Building Systems or not) and suffered by customers, suppliers or other third parties with whom the Tenant or any occupant of the Premises conducts business or by other Persons who utilize any part of any telecommunications network to which the Tenant or any other occupant of the Project is or are connected.

Notwithstanding the foregoing, the Tenant shall not be required to indemnify the Landlord if such loss, claim, action, damage, liability or expenses is caused by or to the extent contributed to by the negligence or wilful misconduct of the Landlord or Persons for whom it is in law responsible.

11.9 Indemnification by the Landlord

Subject to Section 11.6, the Landlord will indemnify the Tenant and save it harmless from all loss, claims, actions, damages, liabilities and expenses arising from any occurrence in, upon or at the Building (other than the Premises) occasioned by the negligence or wilful misconduct of the Landlord or those for whom it is responsible at law, save and except that Landlord's liability hereunder shall: (i) be limited to the extent of insurance proceeds received by the Landlord from its insurer, and (ii) not include any indirect, consequential or punitive damages suffered by the Tenant or any Person for whom Tenant is in law responsible. If the Tenant is made a party to any litigation commenced by or against Landlord, the Landlord shall indemnify and hold the Tenant harmless and shall pay all costs, expenses and legal fees (judicial and extra judicial) incurred or paid by the Tenant in connection with such litigation.

ARTICLE 12 - ASSIGNMENT, SUBLETTING AND OTHER TRANSFERS

12.1 Transfers

The Tenant shall not enter into, consent to, or permit any Transfer without the prior written consent of the Landlord, which consent shall not be unreasonably withheld or delayed (it being understood that a period of thirty (30) days afforded to the Landlord to consider whether or not to grant consent shall not be deemed to be an unreasonable delay), but shall be subject to the Landlord's rights under Section 12.2. The Tenant shall pay to the Landlord the Transfer Application Fee in respect of the proposed Transfer. Notwithstanding any statutory provision to the contrary, it shall not be considered unreasonable for the Landlord to withhold its consent if, without limiting any other factors or circumstances which the Landlord may take into account:

- (a) an Event of Default on the part of the Tenant hereunder has occurred and is continuing, or the Tenant has previously been in material or persistent breach of any of its obligations under this Lease;
- (b) the proposed Transfer would be or could result in violation or breach of any covenants or restrictions made or granted by the Landlord to other tenants or occupants, or prospective tenants or occupants, of the Project;
- (c) in the Landlord's opinion:
 - (i) either the financial background or the business history and capability of the proposed Transferee is not satisfactory;
 - (ii) the nature or character of the proposed business of the proposed Transferee is such that it might harm the Landlord's business or reputation or reflect unfavourably on the Project, the Landlord, or other tenants of the Project, or the image of any of them, or is unethical, immoral or illegal;
 - (iii) the use of the Premises by the proposed Transferee could be incompatible with the other businesses or activities being carried on in the Project or could result in excessive demands being placed on the Building Systems or other Common Areas and Facilities; or
 - (iv) if the Transfer affects less than all of the Premises, the portion affected or the portion remaining are not acceptable in respect of size, access or configuration;

- (d) the proposed Transferee or any principal of the proposed Transferee or any principal shareholder of the proposed Transferee has a history of defaults under other commercial leases or does not have a satisfactory history of compliance with laws;
- (e) the proposed Transferee has recently been a prospect involved in bona fide negotiations with the Landlord ~~at the time has, or will have in the next ensuing three month period,~~ respecting the leasing of other premises in the Project and that the Landlord has or will have in the next ensuing three month period comparable space available ~~available~~ for leasing to the proposed Transferee;
- (f) the basic and additional rent payable by the Transferee is less than the Basic Rent and Additional Rent payable by the Tenant hereunder as at the effective date of the Transfer except in the case where the Landlord determines, in its sole discretion, that payment of lesser rent by the Transferee will not detrimentally affect the leasing program for the Project; or
- (g) the proposed Transfer is to: (i) an existing tenant or occupant of the Project; or (ii) a consulate, embassy, trade commission or other representative of a foreign government; or (iii) a government, quasi-government or public agency, service or office; or (iv) a proposed Transferee whose proposed use is one that the Landlord in its sole discretion determines involves more pedestrian or other traffic than would be usual for an ordinary office use; or (v) a proposed Transferee whose proposed use is one that the Landlord in its sole discretion determines could place on the Building Systems and Common Areas and Facilities burdens exceeding those which would be usual for an ordinary office use.

Any consent by the Landlord to a Transfer shall not constitute a waiver of the necessity for such consent to any subsequent Transfer.

12.2 Tenant's Notice, Landlord's Right to Terminate

If the Tenant intends to effect a Transfer the Tenant shall give prior written notice to the Landlord of such intent specifying the identity of the Transferee, the type of Transfer contemplated, the part of the Premises affected and the financial and other terms of the Transfer, and shall provide such financial, business or other information relating to the proposed Transferee and its principals as the Landlord or any Mortgagee reasonably requires, together with copies of all documents which record the particulars of the proposed Transfer. The Landlord shall, within 30 days after having received such notice, the Transfer Application Fee and all requested information, notify the Tenant either that:

- (a) It consents or does not consent to the Transfer in accordance with the provisions of this Lease; or
- (b) it elects to terminate this Lease as to the part of the Premises affected by the proposed Transfer, or as to the whole Lease and Premises if the proposed Transfer affects all of the Premises.

If the Landlord elects to terminate this Lease it shall stipulate in its notice the termination date of this Lease, which date shall be the date of possession contemplated under the proposed Transfer (provided that if such date is less than 30 days or more than 90 days following the giving of notice of such election, the Landlord may elect to have the termination date 30 days or 90 days, respectively, following the giving of notice). If the Landlord elects to terminate this Lease, the Tenant may notify the Landlord in writing within ten days following receipt of such notice of the Tenant's intention to refrain from such Transfer and, if the Tenant provides such written notice within such time period, then the Landlord's election to terminate this Lease shall become void. If the Tenant fails to deliver such notice within such time period, then this Lease shall, as to the whole or affected part of the Premises, as the case may be, be terminated on the date of termination stipulated by the Landlord in its notice of election to terminate. If the Tenant is required to deliver possession of a part only of the Premises, the Tenant shall pay all costs incurred in connection with rendering that part functionally separate and suitable for separate use and occupancy, including partitioning and providing entrances and services.

12.3 Conditions of Transfer

The following terms and conditions apply in respect of a Transfer:

- (a) If the Transfer is an assignment of this Lease in whole or in part, the Tenant and the Transferee shall execute, prior to the Transfer being made, an agreement with the Landlord in the Landlord's form including the Transferee's covenant to be bound by all of the terms of this Lease;
- (b) notwithstanding any Transfer, the Tenant shall remain liable under this Lease and shall not be released from performing any of the terms of this Lease. The Tenant's liability shall continue notwithstanding any amendment of this Lease throughout the Term and any exercise of any renewal or extension of the Term provided for herein, regardless of whether or when an amendment of this Lease is made (however the original Tenant's liability will not be increased by any amendment that it is not a party to) and notwithstanding that the Landlord may collect rent from the Transferee. Without limiting the foregoing, the Tenant shall be responsible for all acts or omissions of any subtenant, licensee or occupant;
- (c) if the basic and additional rent (net of reasonable out of pocket costs for commissions, for cash allowances and for Alterations required by and made for the Transferee by the Tenant, amortized

on a straight line basis over the term of the Transfer) to be paid by the Transferee under such Transfer exceeds the Basic Rent and Additional Rent payable by the Tenant hereunder, the amount of such excess shall be paid by the Tenant to the Landlord. If the Tenant receives from any Transferee, either directly or indirectly, any consideration other than basic rent or additional rent for such Transfer, either in the form of cash, goods or services, the Tenant shall immediately pay to the Landlord an amount equivalent to such consideration. Notwithstanding the foregoing, it is agreed by the parties that in the event that the Tenant sublets all or a portion of the Premises to a third party, it may do so at a rental rate it deems to be acceptable, but if the basic and additional rent (net of reasonable out of pocket costs for commissions, for cash allowances and for Alterations required by and made for the Transferee by the Tenant, amortized on a straight line basis over the term of the Transfer) to be paid by the Transferee under such Transfer exceeds the Basic Rent and Additional Rent payable by the Tenant hereunder, fifty percent (50%) of the amount of such excess (after deducting any advertising, brokerage or legal fees paid by the Tenant to obtain such Transfer) shall be paid by the Tenant to the Landlord. If the Tenant receives from any such Transferee, either directly or indirectly, any consideration other than basic rent or additional rent for such Transfer, either in the form of cash, goods or services, the Tenant shall immediately pay to the Landlord fifty percent (50%) of an amount equivalent to such consideration;

- (d) if the Transfer is a sublease, the Transferee will execute a covenant in the Landlord's form and will agree to waive any statutory or other right to apply to a court or to otherwise elect to: (i) retain the unexpired term of the Lease or the unexpired term of the sublease; (ii) obtain any right to enter into any lease or other agreement directly with the Landlord; or (iii) otherwise remain in possession of any portion of the Premises, in any case where the Lease is terminated, surrendered or otherwise cancelled, including, without limitation, any disclaimer, repudiation, surrender or other termination (each of these transactions being referred to as an "Early Termination") by any trustee in bankruptcy of the Tenant or a Transferee, by any court appointed officer, or by the Tenant or a Transferee in connection with any insolvency proceedings;
- (e) if there is an Early Termination, the Tenant and any Transferee (except the bankrupt or insolvent Tenant or Transferee) to whom the Landlord gives notice within 60 days after the Early Termination, shall be considered to have entered into a lease with the Landlord on the same terms and conditions as are contained in this Lease except that the term of the lease shall commence on the date of the Early Termination and shall expire on the date this Lease would have expired but for the Early Termination; and
- (f) notwithstanding the effective date of any permitted Transfer as between the Tenant and the Transferee, all Rent for the month in which such effective date occurs shall be paid in advance by the Tenant so that the Landlord will not be required to accept partial payments of Rent for such month from either the Tenant or the Transferee.
- (g) the Tenant shall pay to the Landlord the Transfer Application Fee in respect of any Transfer.

12.4 Corporate Records

Upon the Landlord's request, the Tenant shall: (a) deliver a statutory declaration by one of its senior officers confirming whether or not a Change of Control has occurred ~~setting forth the details of its corporate and capital structure~~; (b) make available to the Landlord or its representatives such other information as the Landlord may require, acting reasonably and in good faith ~~all of its corporate or partnership records, as the case may be, for inspection at all times~~, in order to ascertain whether any Change of Control has occurred; and (c) cause the Indemnifier(s), if any, to provide any of the foregoing in respect of such Indemnifier(s).

12.5 Permitted Transfers

Notwithstanding Section 12.1 and provided that the Required Conditions are satisfied and there is not then an Event of Default, the Tenant shall have the right on prior written notice to the Landlord, but without being required to obtain the Landlord's consent, to effect a Transfer in compliance with Section 12.3 in favour of a Permitted Transferee and the Landlord's right to terminate shall not apply to such a Transfer. Notwithstanding that consent is not required to such Transfer, the Tenant and the Permitted Transferee shall execute an agreement with the Landlord in the Landlord's form including the Permitted Transferee's covenant to be bound by all of the terms of this Lease, and the Tenant shall pay to the Landlord the Transfer Application Fee in respect of such Transfer.

12.6 No Advertising

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

12.7 Sales or Dispositions by Landlord

The Landlord shall have the unrestricted right to sell, transfer, lease, license, charge or otherwise dispose of all or any part of its interest in the Project or any interest of the Landlord in this Lease. In the event of any sale, transfer, lease or other disposition the Landlord shall thereupon, and without further agreement, be released of all liability

under this Lease arising from and after such disposition. If required by the Landlord in connection with any sale, transfer, charge or other disposition the Tenant shall, within five Business Days of request, provide to the Landlord, prospective purchasers and Mortgagees and their respective agents and consultants, access to the current financial statements of the Tenant and any Indemnifier. If the Tenant is listed on a recognized stock exchange in Canada or the United States, the Tenant agrees to provide instead copies of the Tenant's annual reports, quarterly reports and all other publicly distributed reporting materials.

ARTICLE 13 - LANDLORD FINANCING AND STATUS CERTIFICATES

13.1 Subordination and Postponement

- (a) This Lease and the rights of the Tenant in this Lease shall be subject and subordinate to any and all Mortgages and the Tenant, on request by and without cost to the Landlord, shall, within five Business Days after such request, execute and deliver any and all instruments required by the Landlord to evidence such subordination. Upon request by the Tenant at the time of any request for confirmation of subordination, the Landlord shall make reasonable efforts to obtain from any Mortgagee an acknowledgement and assurance in writing addressed to the Tenant, whereby such Mortgagee acknowledges that, in the event of any such Mortgagee realizing upon the security, it will not disturb the Tenant and will permit the Tenant to remain in possession under this Lease in accordance with its terms, so long as the Tenant is not in default.
- (b) The Landlord, as to any Mortgage, and a Mortgagee, as to any Mortgage held by it, may, by notice to the Tenant, elect that this Lease and the rights of the Tenant hereunder shall be prior to such Mortgage(s) and the Tenant, on request by and without cost to the Landlord, shall, within five ten (10) Business Days after such request, execute and deliver any and all instruments required by the Landlord or the Mortgagee, as the case may be, to confirm priority to this Lease over the Mortgage(s).
- (c) The Landlord will, at the Tenant's cost and upon the Tenant's written request, use commercially reasonable efforts to obtain a non-disturbance agreement from any mortgagee of the Building to the effect that if the Tenant shall pay the Rent and comply with all terms and conditions contained in this Lease and attorn to the Mortgagee, the Tenant shall be permitted to remain in quiet possession of the Premises without interruption or disturbance from the Mortgagee. The Tenant shall (i) promptly execute such documentation as may be required by the Landlord to give effect to the foregoing; and (ii) indemnify the Landlord from and against all reasonable out of pocket costs incurred by the Landlord in connection with obtaining and preparing any such agreement.

13.2 Attornment

At any time after any of the following has occurred:

- (a) if a Mortgagee delivers a notice of attornment;
- (b) if a Mortgagee shall take possession of the Building or the Premises; or
- (c) if the interest of the Landlord is transferred to any Person (in this Article referred to as a "Purchaser") by reason of foreclosure or other proceedings for enforcement of any Mortgage, or by delivery of a conveyance,

the Tenant shall, at the option of the Mortgagee or the Purchaser, as the case may be, exercisable by notice in writing to the Tenant, be deemed to have attorned to the Mortgagee or the Purchaser, as the case may be, upon receipt of such notice. The Landlord, the Mortgagee or the Purchaser, as the case may be, may require the Tenant to enter into all instruments required by the Landlord, the Mortgagee or the Purchaser, as the case may be, to confirm such attornment. Upon such attornment the obligations of the Tenant under this Lease shall continue in full force and effect upon all the same terms, conditions and covenants in this Lease.

13.3 Status Certificates

The Tenant shall at any time and from time to time execute and deliver to the Landlord, or as the Landlord, a Mortgagee or a Purchaser may direct, within five ten (10) Business Days after it is requested, a certificate of the Tenant, in the form supplied, addressed to the Landlord, the Mortgagee or the Purchaser, as the case may be, and/or any prospective purchaser, lessor or Mortgagee, certifying such particulars, information and other matters in respect of the Tenant (including its financial standing) as set out below, the Premises and this Lease that the Landlord, the Mortgagee or the Purchaser, as the case may be, may request. ~~The Tenant will be liable for damages to the Landlord for failure to execute and deliver the requested certificate.~~ Failure to execute the requested certificate within the stipulated five ten (10) Business Day period is a default under this Lease and the Landlord may avail itself of all of its rights and remedies pursuant to Article 15 of this Lease, and the Landlord may, at its option, terminate this Lease without incurring any liability for so doing.

A status statement or certificate to any proposed Mortgagee, Purchaser or transferee of the Building and to the Landlord shall state:

- (a) that this Lease is in full force and effect, except only for any modifications that are set out in the statement or certificate;
- (b) the commencement and expiry dates of the Lease;
- (c) the date to which Rent has been paid under this Lease and the amount of any prepaid Rent or any deposits held by the Landlord;
- (d) that the Basic Rent and the Additional Rent are then accruing under this Lease or the dates on which each of these will start accruing;
- (e) to the best of its knowledge, information and belief, that the Premises are free from any construction deficiencies, or if there are such deficiencies, the certificate will state the particulars;
- (f) that there is not any uncured default on the part of the Landlord of which the Tenant has actual knowledge or if there is a default, the certificate will state the particulars;
- (g) whether there are any set-offs, defences or counter-claims of which the Tenant has actual knowledge against enforcement of the obligations to be performed by the Tenant under this Lease; and
- (h) with reasonable particularity, details concerning the Tenant's and any Indemnifier's financial and credit standing and corporate organization. However, so long as the Tenant is CanWest MediaWorks Publications Inc., or its Permitted Transferee, and is a corporation whose shares are traded and listed on a stock exchange in Canada or the United States, the details respecting the Tenant's financial and corporate organization shall be limited to those details that the Tenant makes available to the public at large.

13.4 Reliance

Notwithstanding that a Mortgagee or a Purchaser is not a party to this Lease, it shall be entitled to rely upon and enforce the provisions of this Lease which are stated to be for its benefit and, without limitation, the Mortgagee shall be entitled to act as agent for the Landlord to the extent necessary to enforce any such provisions.

ARTICLE 14 - DAMAGE, DESTRUCTION, DEMOLITION, EXPROPRIATION

14.1 Damage to Premises

If all or any material part of the Premises is rendered untenable or completely inaccessible by damage from fire or other casualty to the Building or Project, then:

- (a) if in the opinion of the Expert, the damage can be substantially repaired under Applicable Laws within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), the Landlord shall forthwith repair such damage other than damage to Leasehold Improvements and any other property that is not the responsibility of or is not owned by Landlord; and
- (b) if in the opinion of the Expert, the damage cannot be substantially repaired under Applicable Laws within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium), then:
 - (i) the Landlord or Tenant may elect to terminate this Lease as of the date of such casualty by notice delivered to the Tenant or other party not more than 20 days after receipt of the Expert's opinion; and
 - (ii) if such damage occurs during the last two Lease Years of the Term, the Tenant may elect to terminate this Lease as of the date of such casualty by notice delivered to Landlord not more than 20 days after receipt of the Expert's opinion,

failing which the Landlord shall forthwith repair such damage other than damage to Leasehold Improvements or property that is not the responsibility of or is not owned by Landlord. The Landlord will use its commercially reasonable efforts to obtain the Expert's opinion within thirty (30) days of the damage.

14.2 Abatement

If the Landlord is required to repair damage to the Premises under Section 14.1 the Basic Rent payable by the Tenant shall be proportionately reduced to the extent that the Premises are rendered untenable or inaccessible, from the date of the casualty until 30 days after completion by the Landlord of the repairs to the Premises or until the Tenant again uses the Premises (or the part thereof rendered untenable), whichever first occurs. The Tenant shall effect its own repairs as soon as possible after completion of the Landlord's repairs. Notwithstanding the

foregoing, there shall be no abatement or reduction of Rent where the Landlord's repairs to the Premises take less than ten days to complete after the damage occurs.

14.3 Termination Rights

Notwithstanding anything else contained in this Lease, if: (a) the Building is partially destroyed or damaged so as to affect 25% or more of the Rentable Area of the Building; or (b) in the opinion of the Expert the Building is unsafe or access or services are affected and, in either case, cannot be substantially repaired under Applicable Laws within 180 days from the date of such casualty (employing normal construction methods without overtime or other premium); or (c) the proceeds of insurance are substantially insufficient to pay for the costs of repair or rebuilding or are not payable to or received by the Landlord; or (d) any Mortgagee(s) or other Person entitled to the insurance proceeds shall not consent to the repair and rebuilding, then the Landlord may terminate this Lease by giving to the Tenant notice of such termination within 60 days of the damage or destruction, in which event the Term shall cease and be at an end as of the date of such damage or destruction and the Rent and all other payments for which the Tenant is liable under the terms of this Lease shall be apportioned and paid in full to the date of termination (subject to any abatement under Section 14.2).

14.4 Landlord's Rights on Rebuilding

In the event of damage to the Building and if this Lease is not terminated in accordance with Sections 14.1 or 14.3, the Landlord shall forthwith repair any damage to the Building, but only to the extent of the Landlord's obligations under the terms of the various leases for premises in the Building (including this Lease) and exclusive of any tenant's responsibilities with respect to such repair. In repairing or rebuilding the Building or the Premises the Landlord may use drawings, designs, plans and specifications other than those used in the original construction and may alter or relocate the Building, the Common Areas and Facilities or any part thereof, and may alter or relocate the Premises, provided that the Building as repaired or rebuilt is of a similar standard and the Premises as altered or relocated shall be of approximately the same size as the original Premises.

14.5 Landlord's Demolition Rights

Despite any other provisions of this Lease, if the Landlord intends to demolish or renovate substantially the Building or a substantial portion of the Building, the Landlord may terminate this Lease on not less than 180 days' notice to the Tenant. The Tenant shall on the date set out in the notice from the Landlord vacate the Premises in accordance with the terms of this Lease. Also on such date, the Term shall cease and be at an end and the Rent and all other payments for which the Tenant is liable under the terms of this Lease shall be apportioned and paid in full to the date of termination. Despite the foregoing, provided the Tenant is the original Tenant named in this Lease, or a Permitted Transferee, it is understood and agreed that the Landlord's right of termination in this Section 14.5 shall be suspended during the initial Term of this Lease.

14.6 Expropriation

The Landlord and the Tenant shall co-operate in respect of any expropriation of all or any part of the Premises or the Lands and Building so that each party may receive the maximum award to which it is entitled in law. If the whole or any part of the Premises or of the Lands and Building are expropriated, as between the parties hereto, their respective rights and obligations under this Lease shall continue until the day on which the expropriating authority takes possession thereof. If, in the case of partial expropriation of the Premises this Lease is not frustrated by operation of governing law and such expropriation does not render the remaining part of the Premises untenable for the purposes of this Lease, the Tenant and the Landlord shall restore the part not so taken in accordance with their respective repair obligations under the provisions of Sections 14.1(a) and 14.2 of this Lease. In this Section 14.6 the word "expropriation" shall include a sale by the Landlord to any authority with powers of expropriation, in lieu of or under threat of expropriation.

ARTICLE 15 - DEFAULT AND REMEDIES

15.1 Events of Default

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

- (a) any Rent (which term for the purpose of this Article 15 shall include Rental Taxes) is in arrears and is not paid within ~~five~~ ten (10) days after notice from the Landlord;
- (b) the Tenant has breached any of its obligations in this Lease and, if such breach is capable of being remedied and is not otherwise listed in this Section 15.1, after notice from the Landlord:
 - (i) the Tenant fails to remedy such breach within ten days (or such shorter period as may be provided in this Lease); or
 - (ii) if such breach cannot reasonably be remedied within ten days or such shorter period, the Tenant fails to commence to remedy such breach within such ten days or shorter period or thereafter fails to proceed diligently to remedy such breach;

- (c) the Lease or any goods, chattels or equipment of the Tenant is seized, taken or exigible in execution or in attachment or if a writ of execution or enforcement is issued against the Tenant and such writ is not stayed or vacated within ten days after the date of such issue;
- (d) the Tenant or any Indemnifier becomes insolvent or commits an act of bankruptcy or takes the benefit of any statute for bankrupt or insolvent debtors or makes any proposal, assignment, compromise or arrangement with its creditors, or if a receiver is appointed for all or part of the business, property, affairs or revenues of the Tenant;
- (e) the Tenant makes a bulk sale of its goods (other than in conjunction with a Transfer approved by the Landlord) or moves or commences, attempts or threatens to move its goods, chattels and equipment out of the Premises (other than in the normal course of its business);
- (f) the Tenant fails to take possession of and occupy the Premises on the Commencement Date, or if thereafter the Tenant abandons or attempts to abandon the Premises or ceases to conduct business from the Premises, or the Premises become vacant or substantially unoccupied for a period of ten consecutive days other than as provided for hereunder; or
- (g) the Tenant purports to effect a Transfer other than in compliance with the provisions of this Lease.

15.2 Remedies

If and whenever an Event of Default occurs, the Landlord shall have the following rights and remedies, exercisable immediately and without further notice and at any time while the Event of Default continues:

- (a) to terminate this Lease and re-enter the Premises. The Landlord may remove all Persons and property from the Premises and store such property at the expense and risk of the Tenant or sell or dispose of such property in such manner as the Landlord sees fit without notice to the Tenant. Notwithstanding any termination of this Lease, the Landlord shall be entitled to receive Rent and all Rental Taxes up to the time of termination plus accelerated Rent as provided in this Lease and damages including, without limitation: (i) damages for the loss of Rent suffered by reason of this Lease having been prematurely terminated; (ii) costs of reclaiming, repairing and re-letting the Premises; and (iii) legal fees and disbursements on a solicitor and client basis;
- (b) to enter the Premises as agent of the Tenant and to relet the Premises for whatever length of time and on such terms as the Landlord in its discretion may determine including, without limitation the right to: (i) take possession of any property of the Tenant on the Premises; (ii) store such property at the expense and risk of the Tenant; (iii) sell or otherwise dispose of such property in such manner as the Landlord sees fit; and (iv) make alterations to the Premises to facilitate the reletting. The Landlord shall receive the rent and proceeds of sale as agent of the Tenant and shall apply the proceeds of any such sale or reletting first, to the payment of any expenses incurred by the Landlord with respect to any such reletting or sale, second, to the payment of any indebtedness of the Tenant to the Landlord other than Rent and third, to the payment of Rent in arrears, with the residue to be held by the Landlord and applied to payment of future Rent as it becomes due and payable. The Tenant shall remain liable for any deficiency to the Landlord;
- (c) to remedy or attempt to remedy the Event of Default for the account of the Tenant and to enter upon the Premises for such purposes. The Landlord shall not be liable to the Tenant for any loss, injury or damages caused by acts of the Landlord in remedying or attempting to remedy the Event of Default. The Tenant shall pay to the Landlord, on demand, all expenses incurred by the Landlord in remedying the Event of Default, together with an administration fee of 15% and interest at the Default Rate from the date such expense was incurred by Landlord;
- (d) to recover from the Tenant all damages, costs and expenses incurred by the Landlord as a result of the Event of Default including any deficiency between those amounts which would have been payable by the Tenant for the portion of the Term following such termination and the net amounts actually received by the Landlord during such period of time with respect to the Premises; and
- (e) to recover from the Tenant the full amount of the current month's Rent together with the next three months' instalments of Rent, which shall immediately become due and payable as accelerated rent.

15.3 Distress

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

15.4 Interest and Costs

The Tenant shall pay to the Landlord upon demand: (a) interest at the Default Rate on all Rent required to be paid hereunder from the due date for payment until fully paid and satisfied; and (b) the Landlord's then current administration charge for each notice of default given by the Landlord to the Tenant under this Lease. The Tenant shall pay and indemnify the Landlord against damages, costs and expenses (including, without limitation, all legal fees on a solicitor and client basis) incurred in enforcing the terms of this Lease, or with respect to any matter or thing which is the obligation of the Tenant under this Lease, or in respect of which the Tenant has agreed to insure or to indemnify the Landlord.

15.5 Remedies Cumulative

No reference to or exercise of any specific right or remedy by the Landlord shall prejudice or preclude the Landlord from exercising or invoking any other remedy, whether allowed under this Lease or generally at law or in equity, and the express provisions of this Lease as to certain rights and remedies are not to be interpreted as excluding any other or additional rights and remedies available to the Landlord generally at law or in equity.

ARTICLE 16 - MISCELLANEOUS

16.1 Relationship of Parties

Nothing contained in this Lease shall create any relationship between the parties other than that of landlord and tenant, and, without limitation, nothing in this Lease shall be construed to constitute the Landlord and the Tenant as partners, joint venturers or members of a joint or common enterprise.

16.2 Consent Not to be Unreasonably Withheld

Except as otherwise specifically provided in this Lease, the Landlord and the Tenant, and each Person acting for them, in granting a consent or approval or making a determination, designation, calculation, estimate, conversion or allocation under this Lease, will act reasonably and in good faith and without unreasonable delay and each Expert or other professional Person employed or retained by the Landlord will act in accordance with the applicable principles and standards of such Person's profession; however, the foregoing shall not apply in respect of any actions taken by or on behalf of the Landlord under Article 15. The Tenant's sole remedy against the Landlord in respect of any breach or alleged breach of this Section shall be an action for specific performance and, without limitation, the Landlord shall not be liable for damages and the Tenant shall not be entitled to any other rights or remedies.

16.3 Overholding

The Tenant has no right to remain in possession of the Premises after the end of the Term. If the Tenant remains in possession of the Premises after the end of the Term with the consent of the Landlord but without entering into a new lease or other agreement then, notwithstanding any statutory provisions, legal presumption or reasonableness requirement to the contrary, there shall be no tacit renewal of this Lease or the Term and the Tenant shall be deemed to be occupying the Premises as a tenant from month to month (with either party having the right to terminate such month to month tenancy at any time on 30 days' notice, whether or not the date of termination is at the end of a rental period) at a monthly Basic Rent payable in advance on the first day of each month equal to ~~double~~ one hundred and fifty percent (150%) of the monthly amount of Basic Rent payable during the last month of the Term (or which would have been payable but for any discount or rent-free period applicable to such last month) and otherwise upon the same terms, covenants and conditions as in this Lease insofar as these are applicable to a monthly tenancy and, for greater certainty, including liability for all Additional Rent.

16.4 Registration

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

16.5 Unavoidable Delay

If any party is bona fide delayed, or hindered in or prevented from the performance of any term, covenant or act required by this Lease by reason of any cause beyond the control of the party affected including, without limitation, strikes, lockouts or other labour disputes, the enactment, amendment or repeal of any Applicable Laws, the failure of any existing tenant or occupant to vacate the Premises, shortages or unavailability of labour or materials, riots, insurrection, sabotage, rebellion, war, acts of terrorism, act of God, or any other similar reason ("Unavoidable Delay"), then performance of such term, covenant or act is excused for the period of the delay and the party so

delayed, hindered or prevented shall be entitled to perform such term, covenant or act within the appropriate time period after the expiration of the period of such delay. However, save and except in the event of a delay in turnover of the Premises to the Tenant, and provided that the Commencement Date has occurred, the provisions of this Section do not operate to excuse the Tenant from the prompt payment of Rent and any other payments required by this Lease or from vacating the Premises as and when required pursuant to any provision of this Lease and Unavoidable Delay shall not include any delay caused by the parties' default or act or omission, any delay avoidable by the exercise of reasonable care by such party or any delay caused by lack of funds of such party. The Landlord shall also be excused from the performance of any term, covenant or act required hereunder if the performance of such item would be in conflict with any directive, policy or request of any governmental or quasi-governmental authority in respect of any energy, conservation, safety or security matter.

16.6 Decisions of Experts; Arbitration

The decision of any Expert whenever provided for under this Lease and any certificate of an Expert shall be final and binding on the parties and there shall be no further right of dispute or appeal.

Wherever under any provision of this Lease it is stated that a matter is to be determined by Arbitration, it shall be determined by a single arbitrator appointed by the parties. If the parties cannot agree on a single arbitrator, then, upon the application of either party, a Justice of the superior court of the province in which the Premises are situate shall appoint an arbitrator whose sole determination shall be final. The arbitrator shall be a disinterested person of recognized competence in the real estate business where the Premises are situate. The expense of such arbitration shall be borne equally by the Landlord and the Tenant.

16.7 Notices

Any notice, demand, statement or request ("Notice") required or permitted to be given under this Lease shall be in writing and shall be deemed to have been duly given if personally delivered, delivered by courier or mailed by registered prepaid post, in the case of Notice to the Landlord, to it at the address set out in Section 1.1(a)(ii) and in the case of Notice to the Tenant, to it at the Premises. Notice may not be given by facsimile transmission, electronic mail or any other electronic communication.

Any such Notice given in accordance with the above requirements shall be deemed to have been given, if mailed, on the fifth day following the date of such mailing or, if delivered, on the day on which it was delivered so long as such delivery was prior to 5:00 p.m. on a Business Day (and, if after 5:00 p.m. or if any such day is not a Business Day, then it shall be deemed to have been delivered on the next Business Day). Either party may from time to time by Notice change the address to which notices to it are to be given. Notwithstanding the foregoing, during any interruption or threatened interruption in postal services, any Notice shall be personally delivered or delivered by courier. If a copy of any Notice to the Tenant is to be sent to a second address or to another Person other than the Tenant, the failure to give any such copy shall not vitiate the delivery of the Notice to the Tenant.

16.8 Confidentiality

The Tenant shall keep confidential all financial information in respect of this Lease, provided that it may disclose such information to its auditors, consultants and professional advisors so long as they have first agreed to respect such confidentiality. The Landlord acknowledges that any information obtained from the Tenant by any of the Landlord's agents, officers, employees or directors relating to the distinctive features of the Tenant's plans and specifications, business and operating methods of the Tenant, and any financial data relating to the Tenant are of a confidential nature and that no such information will be used or disclosed by the Landlord except as may be required by the Landlord to facilitate the procurement of a charge or charges or sale of the Building or any other bona fide financing or sale (including the sale of the Landlord itself), or as may be required to be disclosed to any competent government authority or court of law.

16.9 Power, Capacity and Authority

The Landlord and the Tenant covenant, represent and warrant to each other that they have the power, capacity and authority to enter into this Lease and to perform its obligations hereunder and that there are no covenants, restrictions or commitments given by it which would prevent or inhibit it from entering into this Lease.

16.10 Liability of Landlord

Any liability of the Landlord under this Lease shall be limited to its interest in the Building from time to time. If the Landlord consists of more than one Person, the liability of each such Person shall be several and be limited to its percentage interest in the Building.

16.11 Privacy Policy

The Tenant and the Indemnifier hereby consent to the collection, use and disclosure of personal information collected by or on behalf of the Landlord by Bentall Real Estate Services Limited Partnership ("Bentall") or any of the Landlord's or Bentall's agents, affiliates, or service providers for the purposes of: (i) considering this Lease and determining the suitability of the Tenant and the Indemnifier both for the initial Term and any renewals or extensions thereafter, if applicable; (ii) taking action for collection of Rents in the event of default by the Tenant and/or the Indemnifier; (iii) facilitating the pre-authorization payment plan, if applicable; and (iv) otherwise complying with Bentall's Privacy Policy, a copy of which is available at www.Bentall.com. Consent under this Lease includes the disclosure of such information to credit agencies, collection agencies and existing or potential

lenders, investors and purchasers. The Tenant and the Indemnifier also consent to, and confirm their authority to consent to Bentall's collection, use and disclosure, for such purposes, of personal information about employees of the Tenant and/or the Indemnifier and other individuals whose personal information is provided to or collected by Bentall in connection with this Lease.

SCHEDULES

The following schedules are attached to this Lease and form an integral part thereof.

- "A" Building Specific Information
- "B" Sketch Showing Premises
- "C" Rules and Regulations
- "D" Indemnity Agreement - Intentionally deleted
- "E" Landlord's Work and Tenant's Work
- "F" Power Blackouts

IN WITNESS WHEREOF the parties hereto have executed this Lease.

Bentall Real Estate Services Limited Partnership, by its General Partner, Bentall Real Estate Services G.P. Ltd., as Authorized Agents for
SUN LIFE ASSURANCE COMPANY OF CANADA
and 1331430 ONTARIO LTD.
(Landlord)

Per: _____


DAVID FRIDHAM
LEASING MANAGER


Per: _____

We have authority to bind the Landlord

CANWEST MEDIAWORKS PUBLICATIONS INC.
(Tenant)

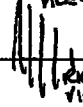
Per: _____

Name: _____
Title: _____


JOHN E. MAGUIRE
VICE-PRESIDENT

Per: _____

Name: _____
Title: _____


RICHARD M. LEISIC
VICE-PRESIDENT

I/We have authority to bind the corporation

SCHEDULE "A" - BUILDING - SPECIFIC INFORMATION

Part 1: Legal Description of Building Lands:

Parcel 6-1, Section 3922, being part of Lots 9, 10, 11, 12 and 13 on Registered Plan 3922, on the south side of Queen Street, numbering eastward, and part of Lots 9, 10, 11, 12 and 13 on Registered Plan 3922, on the north side of Albert Street, numbering eastward, all being Parts 2, 7, 12 and 13 on Reference Plan 4R-5328; subject to CR663734E, LT501086, in the City of Ottawa.

Part 2: Legal Description of Project Lands, if applicable:

Not applicable.

Part 3: Measurement Standards:

"Measurement Standards" means the Building Owners and Managers Association International Measurement Standard ANSI Z65.1-1980 (reaffirmed 1989) provided that notwithstanding the foregoing or anything else contained in this Lease to the contrary, the Landlord may, at its option and from time to time, choose to measure the Rentable Area of the Premises or any other space included in the Project in accordance with a more recent Building Owners and Managers Association (BOMA) standard method of measurement.

SCHEDULE "C" - RULES AND REGULATIONS

(1) Security and Safety

- (a) The Landlord may from time to time adopt appropriate systems and procedures for the security and safety of the Building and the tenants and occupants and contents thereof, and the Tenant shall comply with the Landlord's requirements in respect of such systems and procedures.
- (b) The Tenant shall participate in fire drills and evacuations of the Building as directed by the Landlord. In the event of an emergency, the Tenant shall vacate the Building if the Landlord or any public authority so directs in the manner prescribed by the Landlord or such public authority.
- (c) The Tenant shall not keep any inflammable oils or other inflammable, dangerous, corrosive or explosive materials in the Premises or the Project, save and except for incidental amounts used in the Tenant's business operations and kept and used in accordance with all Applicable Laws.

(2) Use of Premises

- (a) The Tenant shall not use or permit the Premises to be used for residential, lodging or sleeping purposes, or for the storage of personal effects or articles not required for business purposes.
- (b) The Tenant shall not cook or heat any foods or liquids (other than the heating of food in microwave ovens or the heating of water or coffee in coffee makers or kettles) in the Premises without the written consent of the Landlord, and shall not permit on the Premises the use of equipment for dispensing food or beverages or for the preparation, solicitation of orders for, sale, serving or distribution of food or beverages.
- (c) Only persons approved from time to time by the Landlord may solicit orders for, sell, serve or distribute foods or beverages in the Project or use the entrances, elevators or corridors for any such purpose.

(3) Operation of Premises

- (a) The Tenant shall place all refuse in the receptacles provided by the Tenant in the Premises or in the receptacles (if any) provided by the Landlord for the Building, and shall otherwise keep the Lands and the Project and the sidewalks and driveways outside the Project free of all refuse.
- (b) The Tenant shall neither obstruct nor use the entrances, passages, escalators, elevators and staircases of the Project or the sidewalks and driveways outside the Project for any purpose other than ingress to and egress from the Premises and the Project.

(4) Repair, Maintenance, Alterations and Improvements

The Tenant shall carry out the Tenant's repair, maintenance, alterations and improvements in the Premises only during times agreed to in advance by the Landlord and in a manner which will not interfere with the rights of other tenants in the Project.

(5) Deliveries

The Tenant shall not make or receive any deliveries from or to the Premises except through the entrances, elevators and corridors and at the times designated by the Landlord.

(6) Movement of Articles

- (a) Any furniture or equipment being moved in or out of the Premises by the Tenant shall be moved through the entrances, elevators and corridors and at the times designated by the Landlord. All appliances used to move articles in or out of the Premises shall be equipped with rubber tires, slide guards and any other safeguards required by the Landlord.
- (b) The Tenant shall not place in or move about the Premises any heavy machinery or equipment or anything liable to injure or destroy any part of the Premises or the Project without the prior written consent of the Landlord.

(7) Windows

The Tenant shall not install curtains, blinds or other window coverings without the prior written consent of the Landlord, which consent will not be unreasonably withheld, provided all such window coverings that are installed by the Tenant shall comply with the Landlord's uniform scheme for the Building.

(8) Washrooms and Water Fixtures

The Tenant shall be permitted to use those washrooms on the floor of the Building, on which the Premises are situated or, in lieu thereof, those washrooms designated by the Landlord from time to time. The Tenant shall not use

the washrooms or other water fixtures for any purposes other than those for which they were intended, and no sweepings, rubbish, rags, ashes or other substances shall be thrown into them.

(9) Locks and Security Systems

The Landlord may from time to time install and change locks and/or security systems on entrances to the Premises and the Building. The Tenant shall be supplied with a reasonable number of keys or other entry devices for each installation. Any additional keys or entry devices required by the Tenant must be obtained from the Landlord at the Tenant's expense. The Tenant shall not place or cause to be placed any additional locks or security systems on entrances to the Premises without the prior written consent of the Landlord.

(10) Bicycles and Vehicles

The Tenant shall not bring any bicycles or other vehicles within any part of the Lands or Project except in such area or areas designated by the Landlord from time to time.

(11) Animals and Birds

The Tenant shall not bring any animals (except dogs assisting the disabled) or birds within any part of the Lands or Project without the consent of the Landlord.

(12) Antennae, Satellite Dish

The Tenant shall not install any radio or television antenna or satellite dish on any part of the Lands or Project without the prior written consent of the Landlord.

(13) Smoking

The Tenant shall not permit smoking in any part of the Project, including the Premises, except in areas, if any, expressly designated by the Landlord for such purpose.

(14) Canvassing, Soliciting and Peddling

Canvassing, soliciting and peddling in or about the Lands and Project are prohibited.

(15) Employees, Agents and Invitees

In these Rules and Regulations, "Tenant" includes the employees, agents, invitees and licensees of the Tenant and others permitted by the Tenant to use or occupy the Premises.

SCHEDULE "D" - INDEMNITY AGREEMENT - Intentionally Deleted

SCHEDULE "E" - LANDLORD'S WORK AND TENANT'S WORK

1. Landlord's Work

The Landlord shall, at its sole cost and expense, perform the following work in the Premises ("Landlord's Work"), within the time-frame and subject to the provisions set out in Section 2.1 of this Lease:

- i.) Remove all existing improvements including interior partition walls, floor coverings, etc. not specifically required to be retained by the Tenant as per the Tenant's final space plan;
- ii.) Demise the Premises in accordance with the Tenant's plans and specifications as agreed between the Landlord and the Tenant, which shall include the demise of electrical, mechanical, lighting, sprinkler (if applicable), and heating, ventilating and air-conditioning redistribution including smoke/fire dampers and any other Building Systems adjustment that be required as a result of building the new demising walls. The new demising walls shall be insulated with sound batt, fire caulked (where necessary), taped, sanded smooth and paint ready;
- iii.) Existing flooring/carpeting removed, floors swept clean and floors ready to receive the Tenant's floor finishes;
- iv.) Existing Building standard T-bar ceiling system provided to a uniform height throughout the Premises complete with existing light fixtures, lens covers and acoustic tiles. Acoustic tiles replaced where stained or broken;
- v.) Remove old cabling and wiring from the Premises;
- vi.) Repair or replace (as necessary) existing standard window blinds on all exterior windows;
- vii.) Provide all necessary power to sub-panels in the Premises;
- viii.) Existing double suite entrance door provided and secondary fire exit door complete with hardware to comply with fire code.

The Landlord's obligations pursuant to this Section 1 shall be conclusively deemed to have been satisfied except only to the extent of any deficiencies of which the Landlord has been expressly and particularly notified by the Tenant in writing within thirty (30) days after the date upon which the Landlord's Work is complete. The Tenant's only right in respect of any such deficiency of which the Tenant notifies the Landlord in such a manner and within such time is to require the Landlord to remedy or complete the Landlord's Work to the extent that same is defective or incomplete as expressly and particularly set out in such notice.

With the exception of the foregoing, the Tenant shall accept possession of the Premises in the condition in which they existed as of the date of this Lease. Occupancy of the Premises by the Tenant shall be conclusive evidence against the Tenant that, at the time the Tenant assumed occupancy, the Premises were in good order and satisfactory condition and that the Tenant has accepted the Premises "as is".

2. Tenant's Work

Tenant shall, at its cost and expense, complete or cause the completion of all Leasehold Improvements (save and except for any Landlord's Work) which are required to complete the Premises for Tenant's business operations thereon prior to the Commencement Date ("Tenant's Work") in accordance with those provisions of the Lease applicable to the completion of Alterations to the Premises and in accordance with the "Tenant Design Criteria Manual", if any, applicable to the Building.

Prior to commencing any Tenant's Work on the Premises, the Tenant shall deliver to the Landlord certified copies or certificates of insurance duly executed by the Tenant's insurers evidencing the placement of insurance coverage in compliance with the provisions of this Lease. The Tenant shall also deliver to the Landlord certified copies or certificates of insurance from its contractors and/or sub-contractors engaged to perform Tenant's Work, evidencing insurance coverage satisfactory to the Landlord, acting reasonably.

Any damage to the Premises and the Building caused during the performance of Tenant's Work by the Tenant, its contractors, sub-contractors, tradesmen or material suppliers shall immediately be repaired by the Tenant to the satisfaction of the Landlord, or, at the Landlord's option, by the Landlord at the expense of the Tenant payable on demand.

The opinion in writing of the Landlord's Architect shall be binding on both the Landlord and the Tenant respecting all matters of dispute regarding the Tenant's Work, including the state of completion and whether or not work is completed in a good and workmanlike manner and in accordance with plans and specifications for Tenant's Work as approved by the Landlord and with this Schedule.

The Tenant shall furnish to the Landlord forthwith upon demand a statutory declaration or other evidence satisfactory to the Landlord stating that there are no such encumbrances, and that all accounts for work, services and materials have been paid in full with respect to all of Tenant's Work, together with evidence in writing satisfactory to the Landlord that all assessments under the *Worker's Compensation Act* have been paid. In addition to the foregoing, the Tenant shall also submit to the Landlord forthwith any other information requested by the Landlord regarding the supply of work, services and materials in connection with Tenant's Work, including without limitation details of the costs actually expended by the Tenant in the performance of Tenant's Work.

Notwithstanding anything contained herein, including without limitation the provisions relating to the Landlord's approval of the plans and specifications pertaining to the Tenant's Work and to any rights of Landlord to perform any work or do any other thing on the Tenant's behalf, and notwithstanding any notice which may be

received by the Landlord from any of the Tenant's contractors or sub-contractors, the Landlord shall not be liable, and no lien or other encumbrance shall attach to the Landlord's interest in the Premises, pursuant to the *Construction Lien Act*, in respect of materials supplied or work done by the Tenant or on behalf of the Tenant or related to Tenant's Work, and the Tenant shall so notify or cause to be notified all its contractors and sub-contractors and shall indemnify the Landlord from any liability whatsoever arising out of the performance of Tenant's Work. The Tenant hereby acknowledges and agrees that the provision of any materials, work or services performed by the Landlord at the Tenant's expense in respect of any Tenant's Work or pursuant to any provision hereof shall be deemed to be provided by the Landlord on the Tenant's behalf as the Tenant's contractor.

The Tenant will deliver a list identifying every contractor and subcontractor, accompanied by an up-to-date valid clearance certificate for each of them issued by the appropriate workers compensation, safety and insurance authority and the Landlord, acting reasonably, shall have approved, prior to commencement of the Alterations, such contractors and subcontractors and their respective labour affiliations. The Tenant will not use any contractor or permit the use of any sub-contractor that is not identified on the list;

If any proposed Alterations could affect the structure, the floors, the ceiling, the roof, the beams or columns, the exterior walls or the Building Systems, the Landlord may in its sole discretion require that any such Alterations be performed by Landlord's contractors and structural, mechanical and electrical consultants, at the Tenant's sole expense.

The Landlord agrees to waive any fees for the reviewing of any plans and any management fees relating to the Tenant's Work. The Landlord shall not be responsible for undertaking coordination of any Tenant's Work.

SCHEDULE "F" - POWER BLACKOUTS

Subject to the proper operation and capacity of the Building's emergency generator, length of duration for required services and availability of diesel fuel supplies, during a power blackout, emergency lighting services (in adherence to code), service elevators and cold water/toilet service (within common washrooms) will be supplied to the Common Areas and Facilities of the Building in accordance with Applicable Laws (collectively, the "Essential Services"). Acting as a prudent landlord of a similar first class building having regard to age, size and location, the Landlord will use its best efforts to ensure that the Building's emergency generator and fuel tank ("Emergency Generator") are inspected regularly and maintained in good working order and condition.

The intended use of the service elevator during power outages or emergency situations is to allow emergency personnel (such as fire department, paramedics, police and other civic and governmental authorities) to gain immediate access to above grade levels of the Building. As such, the service elevator must be available on the ground floor of the Building during power blackouts or emergency situations at all times for emergency service personnel - and cannot be used for "typical" elevator service or as a substitute passenger elevator by tenants of the Building who choose to keep their employees on-site during black-out situations. During these emergency situations, the Building's stairwells may be used by tenants and other occupants to gain access to and egress from their premises as long as emergency service officials permit the Building to remain open to the public.

In the event of a prolonged power outage, a situation in which demand exceeds available capacity, the break-down of the Emergency Generator, or in the event that re-fueling is not possible, the operation of the Emergency Generator may be compromised and any or all Essential Services may no longer be available in the Building. Accordingly, the Tenant acknowledges that it remains in the Building during black-out situations exclusively at its own risk and that the Landlord will not be responsible for any losses, costs, damages, claims or liabilities whatsoever incurred by the Tenant or other tenants or occupants of the Building in such event, nor will same constitute a breach of the Landlord's covenant for quiet enjoyment under this Lease or entitle the Tenant to any damages. Notwithstanding anything contained in the foregoing to the contrary, in the event of a cessation of any Essential Services in accordance herewith, the Landlord reserves the right to itself order the evacuation of the Building for health and life safety reasons and the Tenant agrees to comply with such order and such evacuation shall not constitute a breach of the Landlord's covenant for quiet enjoyment under this Lease or entitle the Tenant to any damages.

GENERATOR LICENCE AGREEMENT

THIS AGREEMENT is dated the 27th day of June, 2007,

BETWEEN:

SUN LIFE ASSURANCE COMPANY OF CANADA
and 1331430 ONTARIO INC.

(the "Licensor")

and

CANWEST MEDIAWORKS PUBLICATIONS INC.

(the "Licensee")

RECITALS:

- A. By a lease dated the 8th day of May, 2007 (the "Lease"), Sun Life Assurance Company of Canada and 1331430 Ontario Inc., as landlord, did lease to CanWest MediaWorks Publications Inc., as tenant, for and during a term of ten (10) years and two (2) months (the "Term") commencing on the 1st day of November, 2007 (the "Commencement Date") and ending on the 31st day of December, 2017 (the "Expiry Date"), certain premises (the "Premises") containing a Rentable Area of approximately nineteen thousand, four hundred and sixty-six (19,466) square feet, (the "Premises"), located on the thirteenth (13th) floor of the building municipally known as 50 O'Connor Street, Ottawa, Ontario ("Building"), as more particularly set forth therein; and
- B. The Licensee wishes to install and use the "Generator Facilities". The Licensor and the Licensee have agreed effective as of 1st day of October, 2007 (the "Effective Date") to settle all rights and obligations relative to the Generator Facilities, all as more fully described herein.

THE PARTIES hereby agree as follows:

1. Definitions

In this Agreement:

- (a) "Lease" means the lease and amending agreements referred to in the Recitals between the Licensor and the Licensee covering the Premises.
- (b) "Licensed Area" means approximately two hundred and twenty-five (225) square feet of area on the rooftop of the Building, with dimensions of approximately 15' by 15', in a location to be designated by the Landlord, and subject to measurement by the Expert (as defined in the Lease) in accordance with the Building Owners and Managers Association International Measurement Standard ANSI Z65.1-1980.
- (c) "Generator Facilities" means the emergency generator and load bank (the "Generator"), transfer switches, electrical panels, connecting cables, equipment, fuel storage facilities and fuel lines to be installed by and for the benefit of the Licensee.
- (d) "Term" means that period of time commencing on the Effective Date and terminating on the same date that the Lease expires or is terminated for any reason whatsoever.
- (e) "License Fee" means the amount the Licensee will pay to the Licensor throughout the Term as a license fee in connection with the Generator Facilities and the Licensed Area, in the annual sum of One Thousand, Six Hundred and Fifty Dollars (\$1,650.00), plus Rental Taxes (as defined in the Lease), in equal monthly instalments of One Hundred and Thirty-Seven Dollars and Fifty Cents (\$137.50) payable in advance on the first day of each month without deduction, set off or abatement. This License Fee will be considered as though it were Additional Rent under the Lease.
- (f) All other capitalized words and phrases, unless otherwise defined herein, have the meanings attributed to them in the Lease.

2. Locations and Configurations

The size, configuration, and location of the Licensed Area are subject to reconfiguration and relocation from time to time at the Licensee's expense on prior reasonable notice in writing from the Licensor. The

Licensor will not exercise this right to reconfigure or relocate the Licensed Area except on a bona fide basis, and in circumstances where:

- (i) it is necessary or advisable in conjunction with alterations that are made or to be made in connection with the Building;
- (ii) the Generator Facilities or components of the Generator Facilities have become surplus;
- (iii) operating efficiencies, cost savings, or other enhancements in respect of the Building, or components of the Building require it; or
- (iv) the operation of the Generator Facilities or any components of them interferes with the use or operation of other parts of the Building, other equipment (regardless of its nature) within the Building or in any nearby buildings or properties or with other users or occupants of the Building.

3. Plans and Specifications

No Generator Facilities may be installed and no subsequent alterations of the Generator Facilities may be made by the Licensee until (i) all Plans (as herein defined) have been prepared by the Licensee and reviewed (at the Licensee's expense) by the Licensor or the Licensor's consultants and approved in writing by the Licensor, and (ii) all requisite approvals and licenses have first been obtained by the Licensee (at its expense) from all relevant governmental or other applicable authorities. The term "Plans" collectively means all detailed plans, specifications and working drawings prepared in accordance with the best engineering standards together with any other information that is reasonably required by the Licensor to describe all aspects of the Generator Facilities and related work.

The Licensor, in reviewing and approving the Plans, will be entitled to take into consideration the aesthetics of the Building, and any safety, operating, and other factors that it considers reasonable. The Licensee shall pay to the Licensor, within thirty (30) days of the Licensor's written request, all reasonable costs and expenses incurred by the Licensor in reviewing the Plans and for inspecting the installation of the Generator Facilities, including, without limitation, the costs or fees of any consulting engineer or other expert hired by the Licensor. The review and approval by the Licensor of the Plans will not be construed in any way as approval by the Licensor of the adequacy or safety of the Generator Facilities, a waiver of any of the Licensor's rights under this Agreement or at law, or a representation that all municipal and other laws, by-laws and other requirements affecting the Building have been complied with. The Licensee shall be solely responsible for the adequacy, safety and security of the installation and maintenance of the Generator Facilities and shall solely be liable for any damages or injury arising out of such installation and maintenance of the Generator Facilities.

The Licensee will provide to the Licensor, within thirty (30) days after installation of the Generator Facilities, detailed as-built drawings prepared by a professional, qualified engineer, confirming installation in accordance with the approved Plans. The Licensee shall not be permitted to make any alteration to, or replacement of, any of the Generator Facilities (or any of their components) or the Licensed Area except with the Licensor's prior written consent and subject to compliance by the Licensee with all of the terms of this Agreement, including without limitation, the provisions of this Section 3 and Section 4. In addition to being responsible for the reasonable costs and expense incurred by the Licensor in reviewing the Plans in accordance with the preceding paragraph, in relation to any such alterations or replacements, the Licensee will also be responsible for an administration fee equal to fifteen percent (15%) of those costs and expenses.

4. Licensee's Transfer Switch

The Licensee covenants and agrees that the Generator will be equipped with a transfer switch (as opposed to the existing Building transfer switch which monitors the power supply to the Building in its entirety), and all services to the Generator are separately sub-metered. In circumstances where the power supply to the Building is not interrupted but a localized power failure occurs thereby depriving the Licensee's equipment of a power source, then the Licensee agrees that notwithstanding anything to the contrary contained elsewhere in the Lease or this Agreement, the Licensor shall not, except to the extent due to the negligence of or deliberate damage caused by the Licensor, or its representatives that are under its control, be liable or responsible in any way whatsoever for any injury or death to any person, or for any theft, loss or destruction of property owned by or being the responsibility of the Licensee, or any damages (whether direct, indirect, punitive, exemplary or consequential) suffered by the Licensee or those for whom it is in law responsible.

5. Testing of the Generator Facilities

The Generator Facilities will only be tested by the Licensee during the Licensor's specified times to take into consideration the tenants of the Building and surrounding properties (for example, adjacent buildings). It is understood and agreed to by the Licensor that the specified testing times will be not more than once per month, will be outside of the Building operating hours as determined by the Licensor from time to time upon reasonable notice to the Licensee, and be of reasonable duration.

6. Termination

The Licensor may terminate the Licensee's access to and use of the Generator Facilities ~~this Agreement~~ upon ten (10) days prior written notice to the Licensee if (a) material damage occurs to the Building and as a result of such damage, it is not in the Licensor's commercially reasonable business judgment, ~~or the Licensor wishes to alter the Building, and it is not in either case, in the Licensor's bona fide opinion,~~ feasible to (i) restore the Licensed Area, (ii) continue to allow its use by the Licensee, or (iii) relocate the Generator Facilities, or any of them, or (b) the Lease is terminated.

7. Removal and Restoration

The Licensee is not permitted to remove any of the Generator Facilities at any time during the Term except with the Licensor's prior written consent. Subject to what is stated below, if the Licensee is not in any default under this Agreement or under the Lease and so long as the repair and restoration provisions set out below are adhered to and complied with, the Licensee shall have the right, upon prior written notice to the Licensor in which it identifies the Generator Facilities that it intends to remove, to remove the Generator Facilities at the expiry or termination of the Lease. However:

- (i) ~~the Licensor shall have the right to require the Licensee to leave in place any of the Generator Facilities that the Licensee has identified in its notice (other than the emergency generator itself), in which case these particular Generator Facilities shall not be removed by the Licensee and shall belong to the Licensor, and/or~~
- (ii) the Licensor shall have the right to require the Licensee to remove all or any of the Generator Facilities (or their components) that the Licensee does not intend to (or does not) so remove, and in such event, the Licensee shall remove them and the repair and restoration provisions set out below shall apply.

If the Licensee is in any default under this Agreement or the Lease (after expiry of the applicable cure periods thereunder), the Generator Facilities shall immediately become the property of the Licensor and shall remain the property of the Licensor until the Licensee cures such default in full, however should the Licensor not want to keep any of the Generator Facilities, it will notify the Licensee to remove them and in such event, the Licensee shall remove them and the repair and restoration provisions set out below shall apply.

Where the Licensee removes all or any of the Generator Facilities pursuant to its rights above, or where the Licensee is required by the Licensor to remove all or any of them, the Licensee will complete the removal and will restore, to base building condition, all affected areas of the roof and the Building and repair all damage to the Building, all within such time frame as is specified by the Licensor (acting reasonably) and all at the Licensee's cost. Alternatively, the Licensor may effect the removal and restoration, at the Licensee's expense, and in such event, the Licensee will pay the costs thereof, plus an administration fee of fifteen percent (15%) of such costs, within ten (10) days of the Licensor's written request.

8. No Encumbering

No component of the Generator Facilities may be encumbered, or otherwise charged or liened in favour of any third party whether by means of a personal property security interest, mortgage, charge, or otherwise.

9. Use

The Licensed Area and the Generator Facilities shall be used solely to generate and transmit emergency electrical power to the Premises. The benefit of the within license under this Agreement is not transferable by the Licensee in whole or in part except to a permitted assignee of the Lease in conjunction with an assignment of the Lease effected in accordance with the terms of the Lease, in which case the assignee and assignor shall execute, prior to the assignment, the Licensor's form of assignment agreement in which it is confirmed that the assignor is not released from its obligations under this Agreement and the

assignee agrees to be liable for the observance and performance of all of the terms, obligations and agreements contained in this Agreement throughout the balance of the Term.

10. Standards of Operation Restrictions on Alterations

All aspects of the use and operation of the Generator Facilities will be strictly in accordance with all Applicable Laws (as defined in the Lease). The Licensee will not alter any part of the Generator Facilities or the manner in which any parts of the Generator Facilities are used without the Licensor's consent. The Licensee will not use any of the Generator Facilities for any purpose other than as specified above.

11. Acknowledgements, Representations and Warranties

The Licensee acknowledges that it has received no representation or warranty from the Licensor, or anyone on behalf of the Licensor, in connection with any aspect of the Building in relation to the Generator Facilities; that the Licensee has satisfied itself concerning all aspects of the Building, all site conditions, and all other information pertinent to the installation, use and operation of the Generator Facilities. No review or approval of any plans, specifications or drawings or other information submitted to the Licensor by the Licensee will be considered as a representation, acknowledgement, confirmation or inference that the Licensor has assumed any responsibility or acknowledged any responsibility in connection with any aspect of the Generator Facilities, their design, installation, use or operation, or as a waiver of the Licensor's rights under this Agreement.

The Licensee represents and warrants to the Licensor and acknowledges that the Licensor relies upon this representation and warranty in permitting the installation and use of the Generator Facilities, that no catastrophe, interruption, disruption, or damage to any or all of the Generator Facilities will have the effect of disrupting business activities of third parties situated inside or outside of the Building and that the Licensor will not be exposed to any claims by such third parties during the period that such Generator Facilities are considered to be the property of the Licensee, except to the extent due to the negligence of or deliberate damage caused by the Licensor or its representatives that are under its control ~~regardless of any negligence, alleged negligence or other wrongdoing that is alleged to occur by the Licensor~~ in connection with any damages arising from the Generator Facilities or from damage to them.

12. Maintenance and Repairs and Replacement

The Licensee will at all times maintain the Generator Facilities and the Licensed Area in first-class condition and repair and will ensure that the Generator Facilities operate at all times properly and in accordance with (i) their manufacturers' specifications and recommendations, (ii) all Applicable Laws (as defined in the Lease) and (iii) the Licensor's reasonable rules and regulations that are in effect with respect to the Building. The Licensee will provide to the Licensor from time to time upon the Licensor's request, whatever evidence the Licensor reasonably requests to ensure that this requirement is satisfied.

The Licensor shall have the right from time to time upon 24 hours' prior notice to the Licensee to inspect the Licensed Area and the Generator Facilities (or any part of them) to ensure same are kept in first-class condition and repair and in compliance with all Applicable Laws (as defined in the Lease). In cases of emergency, however, where action by the Licensor is required to be made immediately in order to preserve and protect the Building or persons within it, or to avoid or mitigate financial or other loss or damage to the Building or the Licensor, the Licensor may take such action as it deems necessary, prudent and reasonable to protect the Building and persons within it and to avoid or mitigate financial or other loss or damage to the Building or the Licensor (which action may be taken without prior notice to the Licensee). If the Licensed Area or any of the other areas in which the Generator Facilities are located are secure areas, the Licensee shall give the Licensor a key or other similar means of access in order for the Licensor or its agents to access such areas for the purpose of inspecting same and/or making any necessary repairs or removals in accordance with the following paragraph.

Should any of the Licensed Area or the Generator Facilities require repair, or if any of them are not in compliance with Applicable Laws (as defined in the Lease), then the Licensor shall have the right, upon not less than ten (10) days' prior notice to the Licensee during which time the Licensee has not completed the repairs, to effect such repairs (and/or removal where the Licensor reasonably determines that the Generator Facilities (or any part of them) will cause contamination, physical damage and/or health concerns or result in legal action or fines being taken or assessed against the Licensor) however the Licensor's actions shall in no way diminish or affect the agreements of the parties set out in Sections 18 and 19 of this Agreement. Notwithstanding the foregoing, the Licensor will not be required to give the Licensee the prior notice referred to above in this paragraph in cases (1) of emergency (real or reasonably apprehended) or (2) where the Licensor reasonably determines that the condition of the Licensed Area or the Generator Facilities is such that for environmental, health or safety concerns or concerns for

impending fines or other similar impact against the Licensor, the ten (10) day prior notice period referred to above cannot be given.

13. Costs and Expenses

The Licensee will be responsible for payment to the Licensor, on demand, of all invoices submitted by the Licensor to the Licensee in respect of administration, costs of operation in connection with the Building, ~~any complex of buildings~~ and associated improvements of which the Building may be a part, and the Common Areas and Facilities (as defined in the Lease), incurred by the Licensor and associated with the installation, operation and use of the Generator Facilities. The Licensee will also pay all utilities consumed or reasonably attributable to the operation of the Generator Facilities, all real property taxes and other taxes associated with or reasonably allocable to the Generator Facilities (as determined by the Licensor), and all costs of altering, relocating, or otherwise adapting components of the Building or the Common Areas and Facilities (as defined in the Lease) and Generator Facilities associated with the installation, use and operation of the Generator Facilities.

14. Licensor's Control of the Building

The Licensee acknowledges and agrees that the Licensor shall retain, at all times, the right to uninterrupted access to the Building (including its roof) and the right to exclusively control all aspects of the Building and all operations therein and that notwithstanding any other provision in this Lease, the Licensor shall have the right, at any time in situations of emergency, to take such steps in relation to the Building, the Licensed Area and the Generator Facilities as the Licensor reasonably deems necessary to prevent any damage to (or further damage to) the Building or any base building system or part thereof or to prevent injury to (or further injury to) any of the tenants or other occupants of the Building.

15. No Property Rights

The Licensee acknowledges that the rights granted under this Agreement confer no property right, leasehold interest, or easement in connection with any of the Generator Facilities or the Licensed Area. The Licensee's rights under this Agreement are subordinate to the rights of all lenders, mortgagees, and secured creditors, and of all persons claiming by or through them.

16. Insurance

The provisions in the Lease pertaining to insurance ~~and indemnity~~ apply to the Generator Facilities, as well as the use and operation of those Generator Facilities and all liabilities associated with the installation, use and operation of the Generator Facilities, and also removal of the Generator Facilities. In recognition of the increased risk to the Licensor associated with the Generator Facilities, the Licensee agrees to: (a) ensure that its commercial general liability policy maintained under the Lease (the "CGL Policy") covers the use and operation of the Generator Facilities and contains pollution liability coverage for sudden and accidental losses or spills and hostile fire including third party clean up/remediation and legal defence expense; (b) include the Licensor and its agents as ~~a main~~ additional insureds under the policies noted above; and (c) maintain broad form boiler and machinery insurance with the Licensor and its agents added as ~~a main~~ additional insureds and in a form and amount approved by the Licensor with an insurer also approved by the Licensor.

~~The Tenant~~ Licensee will complete regular inspections of the Generator Facilities within intervals that are no longer than the reporting period for spills stipulated under its CGL Policy, and in any case will also comply with the inspection requirements under its CGL Policy and will regularly provide written evidence to the Licensor of its compliance with this obligation. If the Licensee fails to comply with this obligation the Licensor may elect on ten (10) days' prior written notice to the Licensee, to take out a pollution legal liability policy with coverage of at least five million dollars (\$5,000,000.00) in respect of the Generator Facilities, at the Licensee's cost.

17. Release

The Licensee releases the Licensor in respect of all liability, claims, loss, damage, and expense which the Licensee might suffer for any reason whatsoever in connection with damage to, interruption to, or interference with, the Generator Facilities ~~regardless of any negligence, or other wrongful act which is alleged, or is in fact established, to have taken place on the part of the Licensee~~, except to the extent due to the negligence of or deliberate damage caused by the Licensor or its representatives that are under its control.

18. Indemnity

Except in the case of negligence on the part of, or deliberate damage caused by the Licensor or its representatives that are under its control, the Licensee hereby indemnifies the Licensor from and against all loss, cost, expense, damages, claims, and liability arising in any way in connection with (a) the installation, use, operation or other activities in connection with the Generator Facilities, (b) this Agreement, (c) any breach by the Licensee of its obligations under this Agreement, (d) disruption or interference with or by the Generator Facilities arising from any malfunction, any occurrence that damages the Generator Facilities or causes them to malfunction, and (e) any claims of any customers of the Licensee. ~~Except as otherwise specifically set forth herein, this indemnity applies regardless of any negligence, or alleged negligence, claimed to have taken place or to take place and for which the Licensor might otherwise have been held responsible.~~

19. Expanded Release and Indemnities

Each release, exculpatory clause, and indemnity provided for in this Agreement in favour of the Licensor is considered to apply also to the affiliates of the Licensor, the manager of the Building and their respective officers, directors, employees and contractors as though each of them was specifically named as a released person or entity or an indemnified person or entity. For the purpose of enabling each of these persons and entities to enforce the benefit of the exculpatory clauses, releases and indemnities provided for in this Agreement the Licensor acts as agent or trustee for the benefit of those other entities and persons.

20. Riser Manager

Should the Licensor retain a riser manager to provide management and administration services in connection special facilities in the Building which include facilities such as the Generator Facilities, the Licensee will be required to pay a reasonable share of the fees payable to, and the cost and expenses of, the riser manager, and will be required to adhere to all reasonable rules, regulations and requirements established from time to time by the riser manager, subject to reasonable prior notification.

21. Environmental Compliance

If the Licensor requires the Licensee, by written notice to the Licensee given from time to time, acting reasonably, the Licensee will complete an environmental investigation and report using an environmental expert approved by the Licensor. The investigation and report will be completed in connection with all or any aspect of the Generator Facilities, and will be conducted within a time frame approved by the Licensor whether during or after the expiry of the Term. The Licensee will pay the costs of all remediation necessary to comply with the recommendations in the report.

22. Cross Default

The Licensee agrees that the default under this Agreement is to be considered as a default under the Lease and a default under the Lease is a default under this Agreement. Notices under this Agreement will be given in the same way as notices under the Lease.

23. Default

In the event of default by the Licensee under this Agreement, the default remedies provided in the Lease shall apply.

24. Prerequisites

The Licensee's rights in this Agreement are subject to the following conditions:

- (a) The Licensee must continue to be the Tenant under the Lease, and there must not be any assignment, subletting, parting with or sharing of possession or control or any corporate change of control in the Tenant, except as may otherwise be provided under the Lease;
- (b) There must not be any default by the Tenant under the Lease beyond any applicable curative period expressly provided therein; and
- (c) The Tenant must be in occupation of substantially the whole of the Premises except as otherwise may be provided under the Lease and must use the Premises solely for the purposes stipulated in the Lease.

25. Notices

Notices under this Agreement must be in writing, and must be given in the same manner and to the same addresses as specified in the Lease but no notice given by electronic means only will be considered to be a notice in writing.

26. No Registration

The Licensee will not register this Agreement, or any document pertaining to it, or the Generator Facilities as title to the Building.

27. Interpretation

Where there is inconsistency between this Agreement and the Lease, in connection with any particular requirement or obligation of the Licensee (as Tenant or as Licensee as the case may be) or of the Licensor (as Landlord or as Licensor as the case may be), the requirement that provides greater protection to the ~~Licensee~~ affected party will govern.

28. Entire Agreement

This is the entire agreement between the parties. There are no understandings, agreements, representations, or warranties, except as set out expressly in this Agreement:

EXECUTED by each of the parties hereto.

Bentall Real Estate Services Limited Partnership, by
its General Partner, Bentall Real Estate Services G.P.
Ltd., as Authorized Agents for
SUN LIFE ASSURANCE COMPANY OF CANADA
and 1331430 ONTARIO LTD. **DAVID PRIDHAM**
TRADING MANAGER

Per: _____

Per: _____

We have authority to bind the Licensee

CANWEST MEDIAWORKS PUBLICATIONS INC.

Per: _____

Name: John Maguire
Title: Vice-President

Per: _____

Name: ~~Richard M. Leiper~~ RIVA RICHARD
Title: ~~Vice-President~~ SECRETARY

We have authority to bind the Corporation.

STORAGE LEASE

THIS STORAGE LEASE dated the 25th day of February, 2008.

BETWEEN:

**SUN LIFE ASSURANCE COMPANY OF CANADA
and 156 O'CONNOR LIMITED**

(hereinafter called "Landlord")

OF THE FIRST PART

- and -

**CANWEST PUBLISHING INC. / PUBLICATIONS CANWEST
INC.**

(hereinafter called "Tenant")

OF THE SECOND PART

WHEREAS:

- A. By a lease dated the 8th day of May, 2007 (the "Lease"), Sun Life Assurance Company of Canada and 1331430 Ontario Inc., as landlord, leased to CanWest MediaWorks Publications Inc., as tenant, for and during a term of (10) years and two (2) months (the "Term"), commencing on the 1st day of November, 2007 and ending on the 31st day of December, 2017, certain premises containing a Rentable Area of approximately nineteen thousand, four hundred and sixty-six (19,466) square feet ("Premises"), located on the thirteenth (13th) floor of the building municipally known as 50 O'Connor Street, Ottawa, Ontario ("Building"), as more particularly described therein.
- B. Sun Life Assurance Company of Canada and 156 O'Connor Limited are now the Landlord of the Building;
- C. By an agreement dated the 27th day of June, 2007 (the "Generator Licence Agreement"), the Licensor licensed to the Licensee the use of a licensed area of approximately two hundred and twenty-five square feet on the rooftop of the Building for installation of an emergency generator and load bank, upon terms and conditions more particularly set out in the said Generator Licence Agreement;
- D. By Certificate of Amendment issued by Industry Canada effective the 10th day of January, 2008, CanWest MediaWorks Publications Inc. changed its name to Canwest Publishing Inc./Publications Canwest Inc.; and
- E. Tenant desires to lease certain storage premises within the Building.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged by each of the parties hereto, the parties agree as follows:

1. DEMISE

Landlord hereby leases to Tenant and Tenant hereby accepts the lease from Landlord of the storage premises ("Storage Premises"), located on level P4 of the Building, containing approximately four hundred (400) square feet, being approximately as shown hatched on Exhibit "1" annexed hereto.

2. TERM

The term ("Storage Term") of this Storage Lease shall commence on the 1st day of April, 2008 ("Commencement Date") and shall expire on the 31st day of December, 2017.

The Tenant shall be entitled to possession of the Storage Premises from the date which is the latest to occur of: (i) the Tenant's execution and delivery to the Landlord of this Storage Lease in a form satisfactory to the Landlord; and (ii) March 1, 2008, until the date immediately preceding the Commencement Date for the Tenant's use thereof ("Early Occupancy Period"). During the Early

to all the other terms and conditions of the Storage Lease insofar as they are applicable including, without limitation, the obligation to maintain insurance, and the provisions relating to the liability of the Tenant for its acts and omissions, and the acts and omissions of its servants, employees, agents, contractors, invitees, concessionaires and licensees and the indemnification of the Landlord and others under the Lease.

3. STORAGE RENT

For the lease of the Storage Premises, Tenant shall pay to Landlord an annual rent ("Storage Rent") of Seven Thousand Six Hundred Dollars (\$7,600.00), to be paid in advance on the first day of each calendar month during the Storage Term in equal consecutive monthly instalments of Six Hundred and Thirty-Three Dollars and Thirty-Three Cents (\$633.33) each, plus applicable Rental Taxes exigible thereon, based on an annual rental rate of Nineteen Dollars (\$19.00) per square foot of the Storage Premises per annum.

4. USE

Tenant covenants, which covenants shall run with the Storage Premises throughout the Storage Term, that it shall not cause, suffer or permit the Storage Premises to be used for any purpose whatsoever other than storage of those items permitted to be used on the Premises pursuant to the Lease.

5. MAINTENANCE

All maintenance and cleaning of the Storage Premises shall be the responsibility of Tenant.

6. UTILITIES, HEATING AND AIR CONDITIONING

Tenant shall be responsible for all utilities consumed in the Storage Premises, including all heating, ventilating and air conditioning services provided to the Storage Premises.

7. APPLICABILITY OF LEASE

(a) All obligations of Tenant in respect of the Premises shall apply and be obligations of Tenant in respect of the Storage Premises, except where they appear pursuant to the terms hereof to be inapplicable or in conflict with any other express provisions of this Storage Lease. Without limiting the generality of the foregoing, all obligations of Tenant pursuant to the Lease, including obligations in respect of maintenance, repair and replacement and in respect of insurance and any other amounts payable by Tenant pursuant to the Lease, shall be applicable mutatis mutandis to this Storage Lease. All terms used herein shall have the same meanings respectively as they have pursuant to the Lease to the extent to which the context permits.

(b) All amounts payable by Tenant pursuant to this Storage Lease shall also be payable pursuant to the Lease as Additional Rent. A default by Tenant under this Storage Lease shall also constitute a default under the Lease, and a default by Tenant under the Lease shall also constitute a default under this Storage Lease, and the Landlord shall be entitled to all remedies in respect thereof to which Landlord would be entitled pursuant to the Lease and to this Storage Lease and at law. If the Lease expires or is terminated, this lease shall thereupon automatically be deemed to be terminated.


8. RELOCATION


Landlord shall have the right to relocate the Storage Premises to other storage premises having approximately the same area as the Storage Premises at any time on sixty (60) days' prior written notice to Tenant, and such location(s) and date by which the Tenant must relocate to the new storage premises shall be specified in the written notice. It is understood and agreed that the right of the Landlord to relocate the Storage Premises will not be exercised in a manner solely and intentionally for the purpose of depriving the Tenant of the use and enjoyment of the Storage Premises in order to lease the Storage Premises to another Person. In relocating the Storage Premises, it is understood and agreed by the Tenant that, at the Landlord's sole option, the relocated storage premises may be comprised of two (2) separate non-contiguous units provided that the aggregate size of the relocated storage premises is the same as that of the existing Storage Premises. ~~Landlord need not relocate to premises of the same size and the Storage Rent shall be proportionately increased or decreased, depending upon whether the Storage Premises, as relocated, shall be larger or smaller than the Storage Premises originally leased pursuant hereto, provided that the relocated premises shall not be substantially larger than the Storage Premises originally leased pursuant hereto without the prior consent of Tenant.~~ Other than as aforesaid, this Storage Lease shall continue in accordance with its terms notwithstanding any such relocation. The Landlord shall provide the relocated storage premises improved to a standard and

using materials of approximately the same quality as the Leasehold Improvements which exist in the existing Storage Premises at the time of relocation and will reimburse the Tenant (upon receipt of copies of receipted third party invoices) for direct moving costs associated with the relocation. In no case will the Tenant be reimbursed or compensated for indirect costs including overhead, overtime charges or loss of profits and the Tenant will minimize costs by re-using all fixtures and trade fixtures from the Storage Premises where it is feasible to do so. The Landlord agrees to use reasonable efforts to effect the relocation with a minimum of disruption to the Tenant's business. The Landlord and the Tenant shall enter into an amending agreement as prepared by the Landlord to confirm the terms of the relocation including, without limitation, any adjustment to the Storage Rent if the square foot area of the relocated storage premises is different than the square foot area of the existing Storage Premises.

9. This Storage Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.


Bentall Real Estate Services Limited Partnership,
by its General Partner, Bentall Real Estate Services
G.P. Ltd., as Authorized Agent for
SUN LIFE ASSURANCE COMPANY OF CANADA
and 156 O'CONNOR LIMITED


Per:  **DAVID PRIDHAM**
LEASING MANAGER

Per:  **Don A. McLean**
Authorized Signatory

I/We have authority to bind the Landlord.

⁸
CANWEST PUBLISHING INC. / PULICATIONS
CANWEST INC

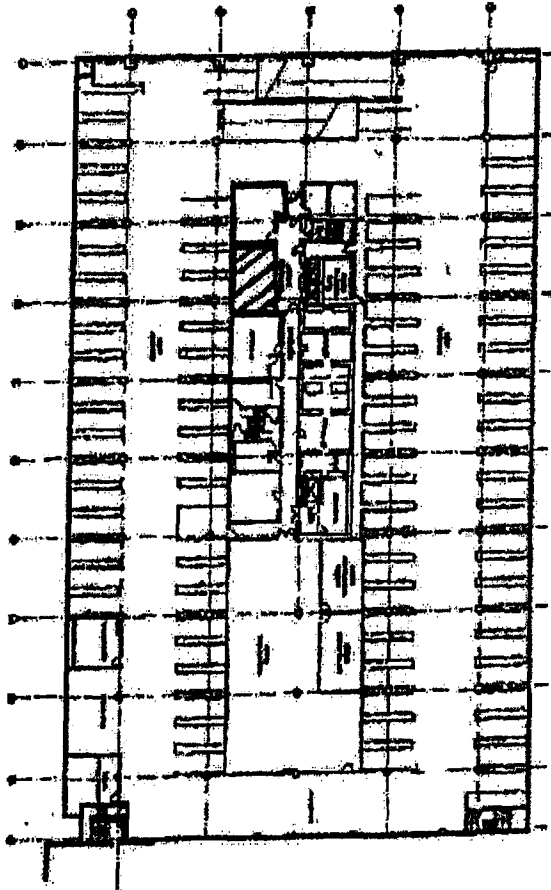
Per:  **RICHARD LEIPSIK**
VICE-PRESIDENT

Per:  **RIVA RICHARD**
SECRETARY

I/We have authority to bind the Corporation.

Exhibit "1"

STORAGE SPACE PLAN



IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36,
AS AMENDED

Court File No. CV-10-8533-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANWEST
PUBLISHING INC./PUBLICATIONS CANWEST INC., CANWEST BOOKS INC. AND CANWEST
(CANADA) INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**TWELFTH REPORT OF FTI CONSULTING
CANADA INC., IN ITS CAPACITY AS MONITOR
OF THE APPLICANTS**

STIKEMAN ELLIOTT LLP
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Canada M5L 1B9

David R. Byers LSUC #: 22992W
Tel: (416) 869-5697
Ashley John Taylor LSUC#: 39932E
Tel: (416) 869-5236
Maria Konyukhova LSUC#: 52880V
Tel: (416) 869-5230
Fax: (416) 861-0445

Lawyers for the Monitor