

TAB "F"

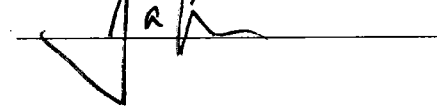
Attached is Exhibit "F"

Referred to in the

AFFIDAVIT OF KEVIN SALSBERG

Sworn before me

this 8th day of August, 2011

A handwritten signature in black ink, appearing to be "R", is written over a horizontal line.

Commissioner for taking Affidavits, etc

THIS AMENDED AND RESTATED LEASE made as of the 6th day of October, 2005,

BETWEEN:

CRI REALTY (NO. 3) INC.,
(the "Landlord")

AND

KIT LIMITED PARTNERSHIP
(the "Tenant")

RECITALS:

WHEREAS SRI Realty (No. 3) Inc. (the "Original Landlord") and Prizm Brandz LP, by its General Partner Prizm Brandz Inc. (the "Original Tenant") entered into a lease agreement (the "Original Lease") dated as of March 28, 2003 in respect of the Leased Premises (as defined herein);

AND WHEREAS the Original Lease was assigned by the Original Tenant to the Tenant, by an assignment of leases dated as of November 10, 2003;

AND WHEREAS the Original Lease was assigned by the Original Landlord to the Landlord, by an assignment of lease (the "Assignment Agreement") dated as of October 6, 2005;

AND WHEREAS the Landlord and the Tenant wish to amend and restate, without novation, the Original Lease to reflect the fact that, as between the Landlord and the Tenant, the leasing arrangements contemplated thereby now apply, *mutatis mutandis*, in respect of the Leased Premises;

NOW THEREFORE in consideration of the mutual agreements and covenants contained herein and the sum of \$10.00 (the receipt and adequacy of which are hereby acknowledged), the parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.01 In this Lease the following words and terms shall have the following meanings respectively:

- (a) "Building" means the building and the other fixtures and improvements on each of the Lands.
- (b) "GST" means any business transfer tax, value added tax or goods and services tax presently or hereafter imposed from time to time upon the Landlord or the Tenant or in respect of this Lease and payable on account of the rental of each of the Leased Premises or the Landlord's receipt of the rents and other amounts and charges hereunder.
- (c) "Landlord's Insurance" shall have the meaning attributed thereto in section 11 .01.
- (d) "Lands" means each of the fourteen (14) lands and premises as shown on Schedule "A" attached hereto.
- (e) "Lease" means this lease as executed by the Landlord and the Tenant.

- (f) "Leased Premises" means each of the Lands arid Building.
- (g) "Property Taxes" means all taxes, rates, local improvement rates, impost charges, duties, assessments or levies which may be levied, rated, charged or assessed against each of the Lands and Building, whether real or personal, moveable or immoveable, by any authority having jurisdiction, whether federal, provincial, municipal, school board, utility commission or other, and includes any taxes or levies which may be imposed on the Landlord or the Tenant or anyone else on account or in lieu thereof, whether or not forming a charge on each property itself, and any other taxes, rates, duties, assessments or levies which may hereafter be levied in lieu of, or of a nature similar to, the foregoing, and whether recurring annually, or at other intervals, or on a special or single instance only, but shall not include the Landlord's income taxes, capital tax, value added taxes, business transfer taxes or other taxes personal to the Landlord.
- (h) "Term" shall have the meaning attributed thereto in section 3.01.
- (i) "Transfer" shall have the meaning attributed thereto in Section 21 .01.
- (j) "Transferee" shall have the meaning attributed thereto in Section 21.01.
- (k) "Utilities" means gas, fuel, electricity, light, heat, power, other forms of energy, sewage disposal service, garbage and trash removal, cable T.V. and telephone and other communication services used, rendered or supplied upon or in connection with each of the Leased Premises and "Utility" shall have a corresponding meaning.

ARTICLE 2 -DEMISE

2.01 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 by these presents does demise and lease unto the Tenant for the Term, the Leased Premises.

ARTICLE 3 -TERM

3.01 The term of the Lease (the "Term") shall be for a period of fifteen years and shall commence at 12:01 am on the 28th day of March, 2003 (the "Commencement Date"), to be fully completed at 11: 59 pm on the 27th day of March, 2018.

ARTICLE 4 -RENT

4.01 Throughout the Term, the Tenant shall pay to the Landlord in each and every year, an annual minimum rent for each of the Leased Premises (the "Minimum Rent") yearly and every year during the within Term as set out in Schedule "B" attached hereto.

ARTICLE 5 -TAXES

5.01 The Tenant covenants with the Landlord to pay to the respective taxing authorities, subject to the provisions of Section 5.02, all Property Taxes as and when due. The Tenant covenants that it will upon the request of the Landlord forward to the Landlord copies of all receipted tax bills. All sums payable by the Tenant under this clause shall be apportioned for any calendar year during which the Tenant is not in possession of the Leased Premises for the full calendar year.

5.02 Notwithstanding anything contained in Section 5.01, the Tenant agrees that if at any time and from time to time the Landlord places a mortgage or other financial encumbrance on the Leased Premises and such hypothec, mortgage or encumbrance

requires monthly payments to be made with respect to the taxes and other charges required to be made pursuant to the provisions of Section 5.01, then, in such event, all such payments shall be paid by the Tenant to the hypothecary creditor, mortgagee or encumbrancer rather than to the respective taxing authorities as additional rent on the date and in the amounts specified in such deed of hypothec, mortgage or encumbrance.

5.03 In any suit or proceeding affecting this Lease, a bill from the office, bureau, department or agency issuing bills for any of the Property Taxes shall be prima facie evidence of the amount thereof and that the same is or are due and payable.

5.04 In the event that the Tenant shall deem any of the Property Taxes illegal or excessive or otherwise subject to contest, it may, at its election, contest such imposition in the name of the Landlord or in its own name, but at the Tenant's expense; provided that nothing in this paragraph shall be construed to permit the Tenant to postpone its obligation to make the payments required under this Article.

5.05 The Tenant shall pay when due all taxes, rates, duties, assessments and other charges that may be levied, rated, charged or assessed against or in respect of all improvements, equipment, facilities on or in the Leased Premises and every tax and license fee in respect of any business carried on thereon or therein or in respect of the use or occupancy of the Leased Premises.

5.06 The Tenant covenants with the Landlord to pay to the Landlord the GST at the same time as rent is payable under Section 4.01 hereof. The Landlord shall have the same rights and remedies with respect to non-payment of GST as it does with respect to non-payment of rent.

ARTICLE 6 - USE OF PREMISES

6.01 The Leased Premises shall be used by the Tenant for the purpose of conducting therein a sit down family type restaurant, drive-thru, take out and delivery fast food facility, or any combination thereof which may or may not be licensed to sell alcoholic beverages, or any other lawful use.

6.02 The Tenant shall not commit, cause or permit any nuisance or waste on the Leased Premises or permit the emission of any offensive substance, odor or noise from the Leased Premises.

6.03 The Tenant will not bring upon the Leased Premises or any part thereof, any machinery, equipment, article or thing that by reason of its weight, size, or use might, in the opinion of the Landlord, damage the Leased Premises and will not at any time overload the floors of the Leased Premises, the roof deck, the perimeter walls, ceilings, structural steel elements, overhead doors or the parking lots.

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

ARTICLE 7 -REPAIRS AND MAINTENANCE

7.01 The Tenant shall repair the Leased Premises. Without limiting the generality of the foregoing, the Tenant's obligation to repair extends to matters notwithstanding that such may be commonly known as a repair of a capital or structural nature.

7.02 The Tenant shall provide normal day-to-day maintenance of the Leased Premises and will repair according to notice in writing. The obligations of the Tenant to provide normal day-to-day maintenance shall include, without limitation, snow removal for the Building, outside maintenance and gardening of the Building, pest control for the Building, painting and decorating, and maintenance of the parking lot.

ARTICLE 8 - COMPLIANCE WITH LAWS

8.01 The Tenant, at its own expense, shall comply promptly with and conform to the requirements of all applicable statutes, laws, by-laws, regulations, ordinances and order at any time in force during the term which affect the condition, equipment, maintenance, use or occupation of the Leased Premises, and with every applicable reasonable regulation, order and requirement of the Canadian Fire Underwriters Association or any body having similar functions or of liability or fire insurance company by which the Building may be insured by the Landlord or the Tenant at any time during the Term.

8.02 If the Tenant defaults under the provisions of this Article, the Landlord may itself comply with the requirements of this Article and the Tenant shall forthwith pay all costs and expenses incurred by the Landlord in so doing and all such costs and expenses shall be recoverable by the Landlord as additional rent.

ARTICLE 9 - UTILITIES

9.01 The Tenant shall make arrangements, at its own cost and expense, directly with the public service companies and private utilities supplying Utilities during and throughout the Term, and shall indemnify Landlord against any liability for any charges therefor.

9.02 The Tenant shall pay promptly when due all charges, costs, accounts and any other sums payable by reason of the supply of the Utilities.

9.03 The Tenant, at its own cost and expense, shall procure each and every permit, license or other authorization required during the Term, for lawful and proper installation upon the Building of wire, pipes, conduits, tubes and other equipment and appliances for use in supplying Utilities.

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

ARTICLE 10 - TENANT'S INSURANCE

10.01 The Tenant shall throughout the Term hereof keep in full force and effect at its sole cost and expense in the names of the Tenant, the Landlord and the Landlord's mortgagees as their respective interests may appear,

- (a) all risks (including flood and earthquake) property insurance in an amount of at least one hundred percent (100%) of the full replacement cost, insuring (1) all property owned by the Tenant, or for which the Tenant is legally liable, or installed by or on behalf of the Tenant, and located within the Building including, but not limited to, fittings, installations, alterations, additions, partitions, and all other leasehold improvements, and (2) the Tenant's inventory, furniture and movable equipment;

- (b) the repair and replacement of boilers, pressure vessels, air-conditioning equipment and miscellaneous electrical apparatus on a broad form blanket coverage basis;
- (c) public liability and property damage insurance including personal injury liability, contractual liability, non-owned automobile liability and owners' and contractors' protective insurance coverage with respect to the Leased Premises, coverage to include the activities and operations conducted by the Tenant and any other parties on the Leased Premises and by the Tenant and any other parties performing work on behalf of the Tenant and those for whom the Tenant is in law responsible. Such policies shall (1) be written on a comprehensive basis with inclusive limits of at least Two Million Dollars (\$2,000,000.00) for bodily injury for any one or more persons, or property damage, (but the Landlord, acting reasonably, or the mortgagee, may require higher limits from time to time) and (2) contain a severability of interests clause and cross liability clauses;
- (d) Tenant 's legal liability insurance for the replacement cost of the Leased Premises;
- (e) any other form of insurance as the Landlord, or the Landlord's mortgagee reasonably require from time to time, in form, in amounts and for risks against which a prudent tenant would insure.

10.02 Notwithstanding subsection 10.01 above, the Tenant shall be entitled to insure the Leased Premises, and the Tenant 's business operations therein, under the Tenant 's blanket insurance policy which the Tenant maintains for the group of restaurants operated by the Tenant, including the deductible amounts and amounts of coverages as therein contained.

10.03 All the foregoing policies shall be kept in good standing and in full force and effect at all times throughout the Term, shall be reviewed annually by the Tenant to ensure they that are up to date, and shall be in a form and with insurers acceptable to the Landlord. All the foregoing policies shall contain a waiver of any right of subrogation or recourse by the Tenant 's insurers against the Landlord or the Landlord's mortgagees, their contractors, agents and employees, whether or not any loss is caused by the act, omission or negligence of the Landlord, its mortgagees, their contractors, agents or employees. The Tenant shall obtain undertakings to the Landlord from its respective insurers that none of the foregoing policies shall be cancelled or allowed to lapse or materially changed, as against the Landlord or its mortgagees until at least thirty days written notice has been given to the Landlord and its mortgagees to that effect. The Tenant shall provide the Landlord with a certificate of such insurance coverages, issued by its insurer, in the insurer's form, as evidence of compliance with its obligations to insure under this Lease, and the Tenant shall not be required to provide either the original or certified copies of the Tenant's blanket insurance policy to the Landlord.

10.04 If the Tenant fail s to take out any of the foregoing insurance, or permits any such insurance to lapse, or fails to put such insurance in good standing promptly after the Landlord or its mortgagees have received notice of an intended cancellation or lapse and have notified the Tenant thereof, the Landlord or its mortgagees may place such insurance on the Tenant's behalf and the premiums payable for such insurance shall be payable by the Tenant to the Landlord or its mortgagees forthwith.

ARTICLE 11 - LANDLORD 'S INSURANCE

11.01 The Landlord shall throughout the Term hereof keep in full force and effect the following insurance (collectively the "Landlord's Insurance "):

- (a) "all risks" rent and rental value insurance in an amount sufficient to replace all Minimum Rent, Percentage Rent and additional rent payable under the provisions of this Lease for an indemnity period of one year or such other period as the Landlord may determine;
- (b) such insurance as may be available to it at reasonable cost under a standard extended form of fire insurance policy but excluding foundations and excavations and any property that the Tenant is obliged to insure and with such reasonable deductions and exclusions as would be carried by a prudent owner of a similar building, having regard to the size, age and location of the Building.

11.02 The Tenant covenants with the Landlord to pay to the Landlord as additional rent the costs to the Landlord of the Landlord's Insurance within thirty (30) days following written demand therefor by the Landlord.

11.03 The amount of any bill or account for Landlord's Insurance shall be apportioned between the Landlord and the Tenant where the Tenant is not in possession of the Leased, Premises for the whole of the period covered by the amount of such bill or account.

11.04 The Tenant shall not be an insured under the policies with respect to the Landlord's Insurance, nor shall it be deemed to have any insurable interest in the property covered by such policies, or my other right or interest in such policies or their proceeds.

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

11.06 If any insurance policy upon the Building or any part thereof shall be cancelled or shall be threatened by the insurer to be cancelled, or the coverage thereunder reduced in any way by the insurer by reason of the use and occupation of the Leased Premises or any part thereof by the Tenant or by any assignee or subtenant of the Tenant, or by anyone permitted by the Tenant to be upon the Leased Premises, and if the Tenant fails to remedy the conditions giving rise to the cancellation, threatened cancellation or reduction of coverage within forty-eight (48) hours after notice thereof by the Landlord, the Landlord may, at its option, either: (a) re-enter and take possession of the Leased Premises forthwith by leaving upon the Leased Premises a notice in writing of its intention so to do and thereupon the Landlord shall have the same rights and remedies as contained in Article 22 hereof; or (b) enter upon the Leased Premises and remedy the conditions giving rise to such cancellation, threatened cancellation or reduction, and the Tenant shall forthwith pay the cost thereof to the Landlord, which cost may be collected by the Landlord as additional rent and the Landlord shall not be liable for any damage or injury caused to any property of the Tenant or of others located on the Leased Premises as a result of such entry. The Tenant agrees that any such entry by the Landlord is not a re-entry or a breach of any covenant for quiet enjoyment contained in this Lease.

ARTICLE 12 - DAMAGE AND DESTRUCTION

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

12.02 Notwithstanding section 12.01, if the Leased Premises or any portion thereof are damaged or destroyed by any cause whatsoever and cannot, in the reasonable opinion of the Landlord, be rebuilt within 180 days of the damage or destruction, the Landlord instead of rebuilding the Leased Premises may terminate this Lease by giving to the Tenant within 30 days after such damage or destruction notice of termination and thereupon rent and other payments hereunder shall be apportioned and paid to the date of such damage or destruction and the Tenant shall immediately deliver up vacant possession of the Leased Premises to the Landlord.

12.03 Notwithstanding sections 12.01 and 12.02, in the event of damage or destruction occurring by reason of any cause in respect of which proceeds of insurance are substantially insufficient to pay for the costs of rebuilding the Building or the Leased Premises, the Landlord may terminate this Lease on written notice to the Tenant.

ARTICLE 13 - EXPROPRIATION

13.01 If during the Term the whole of the Leased Premises shall be expropriated or such portion of the Leased Premises as renders the remainder unsuitable or impracticable for the purposes intended in this Lease shall be expropriated, upon possession being required all rentals shall be paid up to that date and both the Landlord and the Tenant will have their separate and distinct claims against the expropriating authority in such manner as may be provided in law, and neither shall have a claim against the other for the termination of the Lease or the shortening of the Term of the Lease.

13.02 In the event of any expropriation of part of the Leased Premises that does not render the remainder unsuitable or impracticable for the purposes intended in this Lease there shall be no abatement of rent or other charges under this Lease and both the Landlord and the Tenant will have their separate and distinct claims against the expropriating authority in such manner as may be provided in law, and neither shall have a claim against the other of any type or kind.

ARTICLE 14 - INSPECTION OF PREMISES BY LANDLORD

14.01 Landlord shall have the right to enter the Leased Premises at all reasonable times on reasonable notice to the Tenant for the purpose of:

- (a) making any repairs to the Leased Premises and performing any work therein that may be necessary by reason of the Tenant's default under the terms of this Lease continuing beyond any applicable grace periods;
- (b) exhibiting the Leased Premises (within three (3) months prior to the expiration of the Term of this Lease or any renewal thereof) to prospective tenants and (at any time during the Term) to prospective purchaser's and mortgagees; and

- (c) viewing the state of repair of the Leased Premises.

14.02 Landlord shall have the right to enter the Leased Premises at any time in the event of an emergency.

ARTICLE 15 - LOSS OR DAMAGE, INDEMNITY

15.01 The Landlord, its contractors, agents and employees shall not be liable for any death, injury, or damage to or loss of property, of the Tenant, its employees, agents, or invitees occurring in or about the Leased Premises, unless such death, injury, damage or loss resulted from the negligence of the Landlord, its contractors, agents or employees or other persons for whom it may be responsible. All property of the Tenant within the Leased Premises shall be at the risk of the Tenant only.

15.02 The Tenant shall, during the Term, indemnify and save harmless the Landlord from any and all liabilities, damages, costs, claims, suits or actions incurred by it as a result of or arising out of:

- (a) any breach, violation or non-performance of any covenants, condition or agreement in this Lease set forth and contained, on the part of the Tenant to be fulfilled, kept and observed and performed;
- (b) any damage to property occasioned by the Tenant's use and occupation of the Leased Premises; and
- (c) any injury to person or persons, including death, resulting at any time therefrom occurring in or about the Leased Premises and/or on the sidewalks and laneways or streets adjacent to same, unless the same is caused by the negligence of the Landlord, its servants or agents or others for whom it is in law responsible.

ARTICLE 16 -LANDLORD MAY CURE TENANT 'S DEFAULTS

16.01 If the Tenant shall default in the performance of any of the terms, covenants and conditions of this Lease, the Landlord, after fifteen (15) days' notice to the Tenant specifying such default, or without notice if, in the reasonable exercise of the Landlord's judgment, an emergency exists, may but shall not be obligated to perform the same for the account and at the expense of the Tenant and the amount of any payments made or expenses incurred by the Landlord for such purpose, shall become due and payable by the Tenant as additional rent with the next or any subsequent installment of rent which shall become due after such expenditure by the Landlord; but any such expenditure by the Landlord shall not be deemed to waive or relieve the Tenant's default or the right of the Landlord to take such action as may be permissible under the terms of this Lease in the event of such default. When no emergency exists, the provisions of this Article shall be inapplicable if, within fifteen (15) days after such notice by the Landlord, the Tenant shall have cured such default or shall have commenced and is diligently proceeding to cure same.

ARTICLE 17 - CONSTRUCTION LIENS

17.01 If any legal hypothecs or order for the payment of money shall be filed against the Leased Premises by reason of or arising out of any labour or material furnished to the Tenant or to anyone claiming through the Tenant, the Tenant within thirty (30) days after notice to the Tenant of the filing thereof shall cause the same to be discharged by bonding, deposit, payment, court order or otherwise. The Tenant shall defend all suits to enforce such lien, or orders, against the Tenant, at the Tenant's sole expense. The Tenant hereby indemnifies the Landlord against any expense or damage as a result of such legal hypothecs or orders.

ARTICLE 18 - WAIVERS, CUMULATIVE REMEDIES, ETC.

18.01 The specific remedies to which Landlord may resort under the provisions of this Lease are cumulative and are not intended to be exclusive of any other remedies or means or redress to which it may be lawfully entitled in case of any breach or threatened breach by the Tenant of any of the terms, covenants and conditions of this Lease. The failure of the Landlord to insist upon the strict performance of any of the terms, covenants and conditions of this Lease, or to exercise any right or remedy herein contained, shall not be construed as a waiver or relinquishment for the future of such terms, covenants and conditions. In addition to the other remedies in this Lease provided, the Landlord shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of any of the terms, covenants and conditions of this Lease or to a decree, in any court having jurisdiction of the matter, compelling performance of any such terms, covenants and conditions.

ARTICLE 19 - INVALIDITY OF PARTICULAR PROVISIONS

19.01 If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such terms or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

ARTICLE 20 - ALTERATIONS AND ADDITIONS

20.01 The Tenant shall not make any repairs, alterations, replacements or improvements to the structure, any perimeter or bearing wall or alterations, replacements or improvements to the sprinkler system, or the heating, ventilating, air-conditioning, plumbing, electrical or mechanical equipment of the Leased Premises or the Building without obtaining the Landlord's prior written approval, which approval may not be unreasonably or arbitrarily withheld, but may be given on such conditions as the Landlord reasonably imposes. With any such request, the Tenant shall submit to the Landlord details of the proposed work, including drawings and specifications prepared by qualified architects or engineers, if the Landlord shall so require, and conforming to good construction practice. The Tenant will pay the Landlord's reasonable out-of-pocket expenses for consulting services in connection with the Landlord's consideration of any request for approval under this section. Any such repairs, alterations, replacements or improvements shall comply with all applicable laws, by-laws, regulations, and orders enacted or made by any federal, provincial or municipal authority having jurisdiction, and the Landlord's fire insurance underwriters. The Tenant shall at its own expense obtain all requisite building and other permits.

20.02 The Tenant shall indemnify the Landlord and save it harmless from any costs, expenses, damages or increased insurance premiums which may result from the performance of any work (whether or not the Landlord's approval was required or obtained under section 20.01).

20.03 Provided the Tenant obtains all necessary permits and approvals from all authorities having jurisdiction, and provided the Tenant's signage does not conflict with the Landlord's signage criteria for the Building, the Tenant shall have the right to install and use such signage as is used and installed by the Tenant in its other retail locations in the Province of Quebec, and to use those trademarks, names, logos and other registrable marks as may from time to time be used by the Tenant in its business operations. The Tenant shall also have the right to install and use its standard illuminated menu board within the Leased Premises.

ARTICLE 21 - ASSIGNMENT AND SUBLETTING

21.01 The Tenant shall not assign, sublet, transfer, set over, mortgage, charge, hypothecate, create any security interest in, or part with possession of, all or any part of the Leased Premises or of this Lease (a "Transfer"), without the prior written consent of the Landlord in each instance, which consent may not be unreasonably withheld. With any request for consent, the Tenant shall submit information as to the financial background, financial status, and business history of the party who is to acquire an interest in the Tenant or in this Lease or the Leased Premises (the "Transferee") and such other information as the Landlord may reasonably request in connection with such request for consent.

21.02 Any consent by the Landlord under this Article shall not constitute a waiver of the necessity for such consent on any subsequent occasion requiring consent, and shall not relieve the Tenant from any of its obligations to pay rent or perform the covenants contained in this Lease. Notwithstanding any Transfer, the Tenant shall not be relieved of liability by any subsequent amendment of the terms hereof between the Landlord and the assignee or any granting of time, renewals, extensions, indulgences, releases, discharges or other arrangements with the assignee. If this Lease is disclaimed or terminated by any trustee in bankruptcy of any assignee of this Lease, the original tenant named in this Lease shall, if requested by the Landlord within thirty days of such disclaimer or termination, enter into a lease with the Landlord upon the same terms and conditions as contained herein except for the duration of term, which shall expire on the date this Lease would have expired save for such disclaimer or termination. Any assignment or other document effecting a transaction to which the Landlord's consent is required shall be in a form satisfactory to the Landlord. Any assignment or sublease shall at the Landlord's option be on the Landlord's form and shall in any event contain a covenant by the Transferee with the Landlord that it will observe and perform all of the Tenant's obligations contained in this Lease. Any such document shall be reviewed by the Landlord or its solicitors or prepared by them at the expense of the Tenant.

21.03 The Landlord's consent to any Transfer shall be subject to the condition that if the minimum rent and additional rent to be paid by the Transferee under such Transfer exceeds the Minimum Rent, Percentage Rent and additional rent payable under this Lease, the amount of any 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 rent and additional rent for such Transfer, either in the form of cash, goods or services (other than the proceeds of any bona fide financing as the result of a Transfer involving a mortgage, charge or similar security interest in this Lease) the Tenant shall forthwith pay to the Landlord an amount equivalent to such consideration. The Tenant and the Transferee shall execute any agreement required to give effect to the foregoing term.

ARTICLE 22 - DEFAULT AND REMEDIES

22.01 If any of the following shall occur:

- (a) if the Tenant shall fail to pay any rent or other sums due hereunder when due, and if such rent or other sums are not paid within five days after notice is given by the Landlord of such non-payment;
- (b) if the Tenant does not observe, perform and keep each and every of the covenants, provisions, stipulations, conditions, rules and regulations and other terms herein contained to be observed, performed and kept by the Tenant, and, where the breach can be rectified, such non-observance or non-performance shall continue for fifteen days after notice is given by the Landlord requiring that the Tenant rectify the breach, except where rectifying the breach would reasonably require more than fifteen days and the Tenant has commenced rectification in good faith within the fifteen

day period and thereafter promptly, diligently and continuously proceeds with rectification of the breach;

- (c) if the Tenant shall abandon the Leased Premises, or make a bulk sale of its goods or sell the business conducted at the Leased Premises, or move, or commence, attempt or threaten to move any of its goods, chattels and equipment out of the Leased Premises (other than in the ordinary course of its business);
- (d) if a writ of execution shall issue against the Tenant, or if the Term hereby granted or any of the goods, chattels or equipment of the Tenant shall be taken in execution or attachment or be seized by any creditor of the Tenant, whether secured or otherwise;
- (e) if the Tenant shall become insolvent or commit an act of bankruptcy or become bankrupt or take the benefit of any Act that may be in force for bankrupt or insolvent debtors, or become involved in voluntary or involuntary winding up proceedings, or if a receiver shall be appointed by the Court or by any creditor for the business, property, affairs or revenues of the Tenant;

then, and in every such case, the Landlord may, in addition to any other rights or remedies it may have under other provisions of this Lease or by law, at its option exercise all or any of the following remedies:

- (i) The Landlord may perform any obligation which the Tenant should have performed or cause the same to be performed and for such purpose may enter upon the Leased Premises and do such things thereon as the Landlord may consider requisite without effecting a termination of this Lease;
- (ii) The Landlord may enter the Leased Premises and distrain upon the goods and chattels of the Tenant, or may remove and sell the goods, chattels and equipment of the Tenant without any notice or form of legal process, any rule of law to the contrary notwithstanding, and the Landlord may seize and sell the goods and chattels and the equipment, whether they are within the Leased Premises or at any place to which the Tenant or any other person may have removed them in the same manner as if they had remained and been distrained upon in the Leased Premises, and the Landlord may follow the goods and chattels for the maximum period permitted by law, and any sale by the Landlord may, in its sole discretion, be effected by public auction or private contract and either in bulk or by individual items, or partly by one means and partly by the other.
- (iii) The Landlord may remove the goods, chattels, equipment and fixtures of the Tenant from the Leased Premises and store them in a public warehouse or elsewhere at the cost of and for the account of the Tenant.
- (iv) In order to relet, the Landlord may take possession of the Leased Premises as agent of the Tenant and effect such alterations, and repairs as it may deem necessary or advisable for the purpose of such reletting, and it may relet the Leased Premises or any part thereof for such term or terms (which may be for a term extending beyond the Term) 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 Landlord's costs and expenses of such reletting and costs of such alterations and repairs; second to the payment of any indebtedness other than rent due from the Tenant to the Landlord; third to the payment

of arrears of rent and other sums owing hereunder; fourth to the payment of rent and other sums owing hereunder as such fall due; and the residue, if any, shall be held by the Landlord without interest until the end of the Term and applied from time to time in payment of rent and other sums owing hereunder as the same may become due and payable, and any residue remaining at the end of the Term shall be held for the Tenant. No such reletting, nor the receipt of any such rentals from any new tenant, nor the creation of the relation of landlord and tenant between the Landlord and any party to whom the Leased Premises may have been relet, shall have the effect of exonerating the Tenant from its obligations to pay rent hereunder as it falls due or of in any way terminating this Lease.

- (v) The Landlord may terminate this Lease by commencing an action for possession or for termination of the Lease or by notice to the Tenant. Such termination may be effected either at or after the time of the breach or at any later time and notwithstanding that the Landlord may have exercised any of its other remedies including that set out under subsection (i) hereof. In the event that the Landlord or anyone claiming under it or to whom it has rented the Leased Premises is in possession under the provisions of subsection (i) hereof, the Landlord may at any time terminate this Lease by notice to the Tenant and thereafter any then existing or later lease of the Leased Premises shall be for the account of the Landlord notwithstanding that such lease may originally have been entered into as agent for the Tenant. If the Landlord enters the Leased Premises without notice to the Tenant as to whether it is terminating this Lease under subsection (j) or proceeding under subsection (i) or any other provision of this Lease, the Landlord shall be deemed to be proceeding under subsection (i) and the Lease shall not be terminated, nor shall there be any surrender by operation of law, but the Lease shall remain in full force and effect until the Landlord notifies the Tenant that it has elected to terminate this Lease. No entry by the Landlord during the Term shall have the effect of terminating this Lease without notice to that effect to the Tenant.
- (vi) The Landlord shall be entitled to damages from the Tenant for breach of this Lease.
- (vii) At the option of the Landlord, in the case of the events stated in (d) or (e) above occurring, the full amount of the current month's rent and the next ensuing three months' rent shall accelerate and shall immediately become due and payable.
- (viii) On any termination for default, all fixtures, Tenant's improvements or other installations in the Leased Premises, which in law are fixtures or a part of the realty or are attached, affixed to or incorporated into or with the immovable properties situated in or upon the Building or the Leased Premises, and which are not the property of the Landlord, shall at the Landlord's option forthwith become the property of the Landlord, and whether or not such fixtures are in the nature of Tenant's trade fixtures, and whether or not they would be removable by the Tenant at the expiry of the Term if there had been no default.

22.02 Notwithstanding any provision to the contrary in this Lease, the Tenant shall not be obligated to conduct its business operations on the Leased Premises continuously or in a continuous and uninterrupted manner. In the event that the Tenant elects not to so operate its business on the Leased Premises, it is acknowledged and agreed that the Tenant shall still be bound by all of the other applicable terms and covenants of this Lease, save and except that there shall be no default under this Lease as a result of the Tenant's cessation of business operations on the Leased Premises.

22.03 Whenever the Landlord takes any proceedings, sends any notices, does any work, or otherwise incurs any expense or trouble or takes any action with respect to any default by the Tenant, and whether or not legal proceedings are begun or considered in consequence of such default, and whether or not this Lease is terminated, the Landlord shall be entitled to be paid by the Tenant forthwith on demand in addition to any other amounts which may be payable or owing hereunder, all of the following:

- (a) the cost of effecting any repairs or performing any obligation of the Tenant, together with an allowance of fifteen per cent (15%) for the Landlord's overhead and supervision;
- (b) the Landlord's costs and expenses in preparing the Leased Premises for reletting in such manner as in its sole discretion it deems necessary or advisable, together with an allowance of fifteen per cent (15%) for the Landlord's overhead and supervision;
- (c) the Landlord's Court costs, collection costs, and legal fees as between a solicitor and his own client and all judicial and extra-judicial fees of advocates and notaries;
- (d) interest on rent or any other amounts overdue under the terms of this Lease and on any monies expended by the Landlord in consequence of any default by the Tenant at the rate of eighteen per cent (18%) per annum;
- (e) a charge of fifty dollars (\$50.00) for each cheque of the Tenant which is returned to the Landlord because of insufficient funds in the Tenant's account;
- (f) any other costs, charges or expenses, which the Landlord incurs or to which it is put, and which would not have been necessary at the time at which they were incurred but for the default of the Tenant.

22.04 Notwithstanding anything contained in the Quebec Civil Code or any statute at the present time or in the future in force, the Tenant hereby agrees with the Landlord that none of the Tenant's goods or chattels on the Leased Premises at any time during the Term shall be exempt from levy by distress for rent and other costs and charges payable hereunder in arrears, and that the Landlord may follow the Tenant's goods or chattels without limitation of time, and that on any termination of the Lease by the Landlord under the terms hereof, the Tenant shall have no right of redemption or relief from forfeiture, and that the Landlord may enter or take possession of the Leased Premises without judicial order, a writ of possession or any other legal process, and without notice to the Tenant except as provided under this Lease. The Tenant hereby waives all and every benefit that could or might have accrued to the Tenant, but for this section, by virtue of any present or future statute dealing with the matters set out in this section. The Tenant agrees that upon any claim being made for an exemption from levy by distress, or for a right of redemption or relief from forfeiture, or that the Landlord must proceed by judicial process to obtain possession, or with respect to any of the other rights dealt with herein, this section of this Lease may be pleaded as an estoppel against the Tenant in any action brought in which the rights of the Landlord to take the steps set out in this section are in question.

ARTICLE 23 - FINANCING AND ASSIGNMENT BY LANDLORD

23.01 Within ten days after written request therefor by the Landlord, the Tenant shall deliver, in a form supplied by the Landlord, a certificate and acknowledgement to any proposed mortgagee hypothecary creditor or purchaser, or the Landlord, certifying (if such be the case) that this Lease is in full force and effect (or if there have been amendments, that the Lease is in full force and effect as amended and identifying the

amending agreements), the commencement date and Term of the Lease, the dates to which rent and other charges have been paid and whether the Tenant has made any prepayments thereof, whether there is any existing default by the Landlord or the Tenant or any set-offs or claims by the one against the other, and whether there is any work remaining to be done by the Landlord within or to the Leased Premises, and shall provide, promptly upon availability and in any event within 120 days after the end of each fiscal year of the Tenant, a copy of its financial statements prepared by a chartered accountant in accordance with GAAP and, as the Landlord may reasonably request, the financial statements shall be audited by an independent firm of chartered accountants. The Tenant shall, on the request of the Landlord, acknowledge in writing receipt of any notice of assignment of this Lease by the Landlord.

23.02 This Lease and all the rights of the Tenant hereunder are and shall at all times be subject and subordinate to any and all conventional hypothecs, mortgages, trust deeds, charges or other security instruments or rights granted or placed on the Lands and Building or any part thereof by the Landlord. Upon request of the Landlord from time to time, the Tenant shall within ten days of such request execute such documents or assurances in such form as the Landlord or its lenders may require to subordinate this Lease to such security and all advances made or to be made upon the security thereof, and if requested, attorning to the holder thereof provided that the said lender first enters into a non-disturbance agreement with the Tenant in form and substance satisfactory to the Tenant acting reasonably.

23.03 In the event of a sale or lease by the Landlord of all of the Leased Premises, or the assignment by the Landlord of this entire Lease, and to the extent that any purchaser, lessee or assignee of the Landlord has, by an instrument entered into with the Landlord, assumed the covenants and obligations of the Landlord hereunder, the Landlord shall without further written agreement or instrument and without notice to the Tenant be freed and released from liability upon the covenants and obligations contained in this Lease.

ARTICLE 24 -NOTICE

24.01 Any notice to be given by the provisions of this Lease shall be sufficiently given if served personally or if mailed postage prepaid at any Post Office in Canada in a registered letter:

(a) if to the Landlord, addressed to: CRI Realty (No. 3) Inc.
161 Bay Street
Suite 2300
Toronto, Ontario
M5J 2S1

(b) if to the Tenant, addressed to: KIT Inc.
101 Exchange Avenue
Vaughan, Ontario
L4K 5R6

or to such other address as the party concerned shall have notified the other in writing. Any notice so mailed shall be held conclusively to have been given 72 hours after such mailing provided however that if at the time of such mailing a mail strike is in progress which affects the delivery of such notice, such notice shall not be deemed to have been received until it is actually received. Either party may from time to time by notice to the other change the address to which notices are to be given.

ARTICLE 25 - SURRENDER OF PREMISES - OWNERSHIP OF IMPROVEMENTS

25.01 The Tenant, upon expiration of the Term or earlier termination of this Lease, shall peaceably and quietly surrender the Leased Premises and any improvements thereon in accordance with this Article 25 and in good order, repair and condition.

25.02 The Tenant shall on any surrender of possession of the Leased Premises have the right (but not the obligation) to remove such of its trade fixtures, other fixtures, leasehold improvements and equipment which are incorporated into, affixed or attached to and which have become a part of the Lands and Building, including such trade fixtures and leasehold improvements which identify the Leased Premises as any particular outlet, and in effecting such removal, shall do no damage to the Leased Premises or any parts of the Lands and Building. Any leasehold improvements, equipment and fixtures which are not removed by the Tenant shall on surrender of possession by the Tenant become the sole and exclusive property of the Landlord without payment to the Tenant. For greater certainty, the Landlord acknowledges that the Tenant shall not be required to remove the interior partitions, drywall, storefront and bulkhead from the Leased Premises.

25.03 When not in default at the expiration of the Term, or at any time during the term if not in default and in the ordinary course of business, the Tenant may remove the Tenant's trade fixtures, inventory and trade articles provided the Tenant makes good any damage in so doing.

ARTICLE 26 - QUIET ENJOYMENT

26.01 The Landlord covenants with the Tenant that if the Tenant pays the rents hereby reserved and performs its covenants and obligations herein contained, the Tenant may peaceably possess and enjoy the Leased Premises for the Term without interruption or disturbance from the Landlord or any other person lawfully claiming by from or under it.

ARTICLE 27 - CONDITION OF PREMISES

27.01 The Tenant acknowledges and agrees that it is leasing the Leased Premises on an "as is where is " basis and that there are no representations or warranties with respect to the Leased Premises.

ARTICLE 28 - MISCELLANEOUS

28.01 The parties acknowledge and agree that this is a lease of fourteen (14) separate properties each with their own municipal address, legal description, and rent. Where applicable, the terms of this Lease shall be interpreted as if they apply to each separate property individually.

28.02 If the Tenant shall remain in occupation of the Leased Premises after the expiry of the Term hereby granted and any renewal thereof hereby granted, with or without the consent of the Landlord and without any further written agreement, the Tenant shall be a monthly tenant at a monthly rental herein reserved and otherwise on the terms and conditions herein set forth, except as to the length of tenancy.

28.03 All waivers made by the Landlord shall be in writing and no waiver by the Landlord of any default made by the Tenant under this Lease shall be construed as a waiver of any other default which has been made or which may thereafter be made by the Tenant unless so specified in writing. No surrender of this Lease by the Tenant shall be valid unless accepted in writing by the Landlord.

28.04 This Lease contains the entire agreement between the parties relating to the Leased Premises and shall not be modified in any manner except by an instrument in writing executed by the parties and this Lease shall supersede and replace any and all

existing leases or agreements to lease between the parties with respect to the Leased Premises.

28.05 The captions herein are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease nor in any way affect this Lease.

28.06 This Lease is subject to the condition that it is to be effective only on obtaining such consents, if any, as may be required under the Planning Act (Manitoba) and the City of Winnipeg Charter. The Landlord covenants and agrees to apply and proceed diligently at its expense to obtain any necessary consent to this Lease.

28.07 The covenants, agreements, terms, provisions and conditions of this Lease shall be binding upon and enure to the benefit of the Landlord and the Tenant and their successors and permitted assigns.

28.08 The Tenant shall not register this Lease in full against the title to the Lands. The Tenant may register the minimum notice of memorial of lease required to give notice of its interest under the applicable registration statute with the written consent of the Landlord, such consent not to be unreasonably withheld.

28.09 Without limiting the generality of anything else herein contained, the parties agree that upon expiration of the Term or any renewal thereof, or any earlier termination of this Lease, the Tenant's right of possession shall cease and terminate, but the obligations of the parties with respect to any item of rent or covenants not performed at the date of such expiration, any indemnification, or any other obligations which, by their nature are not completely performed prior to such expiration, shall remain in full force and effect until satisfied. It is agreed, however, that in no event shall the Tenant have any interest in or right to possession of the Leased Premises or any part of the Lands or Building after the expiration of the Term or any renewal thereof, or any such earlier termination of this Lease.

28.10 Each of the Landlord and Tenant has full authority to enter into this Lease and to perform its obligations hereunder.

ARTICLE 29 -OPTION TO PURCHASE

29.01 The Tenant shall have the option to purchase the Lands effective upon the expiry of the Term of this Lease upon the terms and conditions hereinafter set out:

- (a) The Tenant (Optionee) shall exercise this option to purchase by notice in writing to the Landlord (Optionor) given at least three (3) months prior to the expiry of the Term of the Lease. The option is not severable from the balance of this Lease and may be exercised only by the Tenant under this Lease.
- (b) The purchase price (the "Purchase Price ") for the Lands shall be the fair market value (as agreed to between the Optionor and Optionee) of the Lands as of the date which is three (3) months prior to the expiry to the Term.
- (c) The purchase of the Lands contemplated herein shall be completed upon the date of the expiry of the Term.

ARTICLE 30 -NET LEASE

30.01 The parties acknowledge and agree that it is intended that this Lease be a completely net net net and carefree lease to the Landlord, and that except as otherwise specifically provided herein, the Landlord is not responsible during the Term for any costs, charges, expenses and outlays of any nature arising from or relating to the Leased

Premises or the use or occupancy thereof, and the Tenant shall pay all charges and expenses relating to the Leased Premises.

30.02 The parties acknowledge that nothing in this Lease has the effect of making the Tenant responsible for the Landlord's debt service costs (principal and interest) or the Landlord's income taxes capital taxes, value added taxes, business transfer taxes or other taxes personal to the Landlord.

30.03 The parties hereby confirm that the Original Lease remains in full force and effect and unamended except as expressly provided herein, without novation of the Original Lease.

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

CRI REALTY (NO. 3) INC.

Per: _____

A. G. Morrison
Name: _____

Title:

I have the authority to bind the Corporation.

**KIT LIMITED PARTNERSHIP, by its
general partner, KIT INC.**

By: _____

Name:

Title:

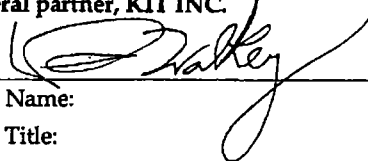
IN WITNESS WHEREOF each of the parties hereto have duly executed this Lease.

CRI REALTY (NO. 3) INC.

Per: _____
Name:
Title:

I have the authority to bind the Corporation.

**KIT LIMITED PARTNERSHIP, by its
general partner, KIT INC.**

By:  _____
Name:
Title:

SCHEDULE "A"

Store No. 1100, 5601 Bd Leger, Montreal

An emplacement known and designated as being lot number ONE MILLION NINETY-SIX THOUSAND TWO HUNDRED AND TWENTY-FOUR (1 096 224) upon the Cadastre du Québec, Registration Division of Montreal.

Together with a building erected thereon bearing civic address 5601, Léger Boulevard (borough of Montreal-North), Montreal, Québec, H1G 1K4.

Store No. 1106, 2997 Ch. Chambly, Longueuil

An emplacement known and designated as being composed of lot number ONE MILLION NINE HUNDRED TWENTY-EIGHT THOUSAND ONE HUNDRED AND SEVENTY-THREE (1 928 173) upon the Cadastre du Québec, Registration Division of Chambly.

Together with a building erected thereon bearing civic address 2997, Chambly Road, Longueuil, Québec, J4L 1N3.

Store No. 1115, 1110 Rue Provost, Lachine

An emplacement known and designated as being composed of lot number TWO MILLION ONE HUNDRED THIRTY-THREE THOUSAND FIVE HUNDRED AND SEVENTEEN (2 133 517) of the Cadastre du Québec, Registration Division of Montreal.

Together with a building erected thereon bearing civic address 1110, Provost Street (borough of Lachine), Montreal, Québec, H8S 1N5.

Store No. 1116, 9205 Bd Lacordaire, St-Leonard

An emplacement known and designated as being composed of lot number ONE MILLION THREE HUNDRED THIRTY-TWO THOUSAND THREE HUNDRED AND EIGHTY-THREE (1 332 383), upon the Cadastre du Québec, Registration Division of Montreal.

Together with a building erected thereon bearing civic address 9205, Lacordaire Boulevard (borough of St-Léonard), Montreal, Québec, H1R 2B6.

Store No. 1124, 1595 Cote Vertu, St. Laurent

An emplacement known and designated as being composed of lot number ONE MILLION FIVE HUNDRED SIXTEEN THOUSAND EIGHT HUNDRED AND THIRTY-SEVEN (1 516 837) of the Cadastre du Québec, Registration Division of Montreal.

Together with a building erected thereon bearing civic address 1595, Côte Vertu (borough of Saint-Laurent), Montreal, Québec, H4L 2A1.

Store No. 1129, 1551 Bd Shevchenko, Lasalle

An emplacement known and designated as being composed of lot number ONE MILLION FOUR HUNDRED NINETY-NINE THOUSAND TWO HUNDRED AND THIRTY-TWO (1 499 232) of the Cadastre du Québec, Registration Division of Montreal.

Together with a building erected thereon bearing civic address 1551, Shevchenko Boulevard (borough of Lasalle), Québec, H8N 1P3.

Store No. 1150, 9460 Boul Henri Bourassa, Charlesbourg

An emplacement known and designated as being composed of lot number ONE MILLION TWENTY-SEVEN THOUSAND AND ONE (1 027 001) of the Cadastre du Québec, Registration Division of Québec.

With a building erected thereon bearing civic address 9460, Henri-Bourassa Boulevard (borough of Charlesbourg) Québec, Québec, G1G 4E6.

Store No. 1153, 3101 Boul Pere Lelievre, Duberger

An emplacement known and designated as being composed of lot number ONE MILLION TWO HUNDRED TWENTY-SEVEN THOUSAND AND SIXTY-SIX (1 227 066) of the Cadastre du Québec, Registration Division of Québec.

With a building erected thereon bearing civic address 3101, Père Lelièvre, Québec, Québec, G1P 2Y3

Store No. 1156, 615 4ieme Ave., St. Romuald

An emplacement known and designated as being composed of lot number TWO MILLION ONE HUNDRED FIFTY-FIVE THOUSAND SEVEN HUNDRED AND SEVENTY (2 155 770) of the Cadastre du Québec, Registration Division of Lévis.

Together with a building erected thereon bearing civic address 615, 4th Avenue, Saint-Romuald, Québec, G6W 5M6.

Store No. 1158, 315 Boul Ste Anne, Beauport

An emplacement known and designated as being composed of lot number ONE MILLION FOUR HUNDRED SEVENTY-FIVE THOUSAND ONE HUNDRED AND EIGHTY (1 475 180) of the Cadastre du Québec, Registration Division of Québec.

With a building erected thereon bearing civic address 315, Ste-Anne Boulevard (borough of Beauport), Québec, Québec, G1E 3L4.

Store No. 1171, 104 Bd Arthur-Sauve, St. Eustache

An emplacement known and designated as being composed of lot number ONE MILLION SIX HUNDRED NINETY-NINE THOUSAND SEVEN HUNDRED AND FORTY-TWO (1 699 742), upon the Cadastre du Québec, Registration Division of Deux-Montagnes.

Together with a building erected thereon bearing civic address 104, Arthur-Sauvé Boulevard, Saint-Eustache, Québec, J7R 2H7.

Store No. 1178, 335 Sir Wilfrid Laurier, Beloeil

An emplacement known and designated as being composed of lot number TWENTY of the official subdivision of original lot number THIRTY-FOUR (34-20), upon the official Cadastre of the Parish of Saint-Mathieu-de-Beloeil, Registration Division of Verchères.

Together with a building erected thereon bearing civic address 335, Sir Wilfrid-Laurier Boulevard, Beloeil, Québec, J3G 4H5.

Store No. 1208, 347 Bd St-Joseph, Hull

An emplacement known and designated as being composed of lot number ONE MILLION EIGHTY-FIVE THOUSAND SEVEN HUNDRED AND NINE (1 085 709), upon the Cadastre du Québec, Registration Division of Hull.

Together with a building erected thereon bearing civic address 347, Saint-Joseph Boulevard, Hull, Québec, J6Y 3Z3.

Store No. 1209, 258 Rue Notre-Dame, Gatineau Mills

An emplacement known and designated as being composed of lot number ONE MILLION NINE HUNDRED THIRTY-FIVE THOUSAND SIX HUNDRED AND EIGHTY-THREE (1 935 683) of the Cadastre du Québec, Registration Division of Hull.

Together with a building erected thereon bearing civic address 258, Notre-Dame Street, Gatineau, Québec, J8P 1K4.

SCHEDULE "B"

Municipal Address	Rent Payable
<p>5601 Bd. Leger, Montreal (Store No. 1100)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$62,770.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,230.83, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$65,909.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,492.42, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$69,204.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,767.00, in advance</p>
<p>2997 Ch. Chambly, Longueuil (Store No. 1106)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$55,234.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$4,602.83, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$57,996.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$4,833.00, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$60,895.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,074.58, in advance</p>
<p>1110 Rue Provost, Lachine (Store No. 1115)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and</p>

	<p>every year the sum of \$43,534.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$3,627.83, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$45,711.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$3,809.25, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$47,996.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$3,999.67, in advance</p>
<p>9205 Bd Lacordaire, St-Leonard (Store No. 1116)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$66,575.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,547.92, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$69,904.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,825.33, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$73,399.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$6,116.58, in advance</p>
<p>1595 Cote Vertu, St. Laurent (Store No. 1124)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$67,488.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,620.67, in advance</p> <p>(b) during the sixth through tenth</p>

	<p>years of the Term from March 28, 2008 until March 27, 2013 the sum of \$70,821.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,901.75, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$74,362.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$6,196.83, in advance</p>
<p>1551 Bd Shevchenko, Lasalle (Store No. 1129)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$40,950.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$3,412.50, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$42,998.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$3,583.17, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$45,148.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$3,762.33, in advance</p>
<p>9460 Boul Henri Bourassa, Charlesbourg (Store No. 1150)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$50,640.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$4,220.00, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$53,172.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$4,431.00, in advance</p>

	<p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$55,830.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$4,652.50, in advance</p>
<p>3101 Boul Pere Lelievre, Duberger (Store No. 1153)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$34,206.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$2,850.50, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$35,917.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$2,993.08, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$37,713.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$3,142.75, in advance</p>
<p>615 4ieme Ave., St. Romauld (Store No. 1156)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$50,001.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$4,166.75, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$52,501.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$4,375.08, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$55,126.00 of lawful money of Canada in twelve (12)</p>

	equal monthly instalments of \$4,593.83, in advance
315 Boul Ste Anne, Beauport (Store No. 1158)	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$61,559.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,129.92, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$64,637.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,386.42, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$67,869.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,655.75, in advance</p>
104 Bd Arthur-Sauve, St. Eustache (Store No. 1171)	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$65,486.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,457.17, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$68,760.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$5,730.00, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$72,198.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$6,016.50, in advance</p>
335 Sir Wilfrid Laurier, Beloeil (Store No. 1178)	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$37,632.00</p>

	<p>of lawful money of Canada in twelve (12) equal monthly instalments of \$3,136.00, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$39,514.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$3,292.83, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$41,489.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$3,457.42, in advance</p>
<p>347 Bd St-Joseph, Hull (Store No. 1208)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$89,281.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$7,440.08, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$93,745.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$7,812.08, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$98,433.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$8,202.75, in advance</p>
<p>258 Rue Notre-Dame, Gatineau Mills (Store No. 1209)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$80,426.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$6,702.17, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28,</p>

	<p>2008 until March 27, 2013 the sum of \$84,447.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$7,037.25, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$88,669.00 of lawful money of Canada in twelve (12) equal monthly instalments of \$7,389.08, in advance</p>
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THIS AMENDED AND RESTATED LEASE made as of the 6th day of October, 2005,

IN PURSUANCE OF THE SHORT FORMS OF LEASES ACT,

BETWEEN:

SCOTT'S REAL ESTATE LIMITED PARTNERSHIP,
(the "Landlord")

AND

KIT LIMITED PARTNERSHIP,
(the "Tenant")

RECITALS:

WHEREAS SRI Realty (No. 3) Inc. (the "Original Landlord") and Prizm Brandz LP, by its General Partner Prizm Brandz Inc. (the "Original Tenant") entered into a lease agreement (the "Original Lease") dated as of March 28, 2003 in respect of certain premises described therein, including the Leased Premises (as defined below);

AND WHEREAS the Original Lease was assigned by the Original Tenant to the Tenant, by an assignment of leases dated as of November 10, 2003;

AND WHEREAS the Original Lease was assigned, to the extent only that the Original Lease relates to the Leased Premises, by the Original Landlord to the Landlord, by an assignment of lease (the "Assignment Agreement") dated as of October 6, 2005;

AND WHEREAS the Landlord and the Tenant wish to amend and restate, without novation, the Original Lease to reflect the fact that, as between the Landlord and the Tenant, the leasing arrangements contemplated thereby now apply, *mutatis mutandis*, in respect of the Leased Premises;

NOW THEREFORE in consideration of the mutual agreements and covenants contained herein and the sum of \$10.00 (the receipt and adequacy of which are hereby acknowledged), the parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.01 In this Lease the following words and terms shall have the following meanings respectively:

- (a) "Building" means the building and the other fixtures and improvements on each of the Lands.
- (b) "GST" means any business transfer tax, value added tax or goods and services tax presently or hereafter imposed from time to time upon the Landlord or the Tenant or in respect of this Lease and payable on account of the rental of each of the Leased Premises or the Landlord's receipt of the rents and other amounts and charges hereunder.
- (c) "Landlord's Insurance" shall have the meaning attributed thereto in section 11.01.
- (d) "Lands" means each of the six (6) lands and premises as shown on Schedule "A" attached hereto.

- (e) "Lease" means this lease as executed by the Landlord and the Tenant.
- (f) "Leased Premises" means each of the Lands and Building.
- (g) "Property Taxes" means all taxes, rates, local improvement rates, impost charges, duties, assessments or levies which may be levied, rated, charged or assessed against each of the Lands and Building, whether real or personal, moveable or immovable, by any authority having jurisdiction, whether federal, provincial, municipal, school board, utility commission or other, and includes any taxes or levies which may be imposed on the Landlord or the Tenant or anyone else on account or in lieu thereof, whether or not forming a charge on each property itself, and any other taxes, rates, duties, assessments or levies which may hereafter be levied in lieu of, or of a nature similar to, the foregoing, and whether recurring annually, or at other intervals, or on a special or single instance only, but shall not include the Landlord's income taxes, capital tax, value added taxes, business transfer taxes or other taxes personal to the Landlord.
- (h) "Term" shall have the meaning attributed thereto in section 3.01.
- (i) "Transfer shall have the meaning attributed thereto in Section 21.01.
- (j) "Transferee" shall have the meaning attributed thereto in Section 21.01.
- (k) "Utilities" means gas, fuel, electricity, light, heat, power, other forms of energy, sewage disposal service, garbage and trash removal, cable T.V. and telephone and other communication services used, rendered or supplied upon or in connection with each of the Leased Premises and "Utility" shall have a corresponding meaning.

ARTICLE 2 - DEMISE

2.01 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 by these presents does demise and lease unto the Tenant for the Term, the Leased Premises.

ARTICLE 3 - TERM

3.01 The term of the Lease (the "Term") shall be for a period of fifteen years and shall commencing at 12:01 a.m. on the 28th day of March, 2003 (the "Commencement Date"), to be fully completed at 11: 59 pm on the 27th day of March, 2018.

ARTICLE 4 - RENT

4.01 Throughout the Term, the Tenant shall pay to the Landlord in each and every year, an annual minimum rent for each of the Leased Premises (the "Minimum Rent") yearly and every year during the within Term as set out in Schedule "B" attached hereto.

ARTICLE 5 - TAXES

5.01 The Tenant covenants with the Landlord to pay to the respective taxing authorities, subject to the provisions of Section 5.02, all Property Taxes as and when due. The Tenant covenants that it will upon the request of the Landlord forward to the Landlord copies of all receipted tax bills. All sums payable by the Tenant under

this clause shall be apportioned for any calendar year during which the Tenant is not in possession of the Leased Premises for the full calendar year.

5.02 Notwithstanding anything contained in Section 5.01, the Tenant agrees that if at any time and from time to time the Landlord places a mortgage or other financial encumbrance on the Leased Premises and such mortgage or encumbrance requires monthly payments to be made with respect to the taxes and other charges required to be made pursuant to the provisions of Section 5.01, then, in such event, all such payments shall be paid by the Tenant to the mortgagee or encumbrancer rather than to the respective taxing authorities as additional rent on the date and in the amounts specified in such mortgage or encumbrance.

5.03 In any suit or proceeding affecting this Lease, a bill from the office, bureau, department or agency issuing bills for any of the Property Taxes shall be prima facie evidence of the amount thereof and that the same is or are due and payable.

5.04 In the event that the Tenant shall deem any of the Property Taxes illegal or excessive or otherwise subject to contest, it may, at its election, contest such imposition in the name of the Landlord or in its own name, but at the Tenant's expense; provided that nothing in this paragraph shall be construed to permit the Tenant to postpone its obligation to make the payments required under this Article.

5.05 The Tenant shall pay when due all taxes, rates, duties, assessments and other charges that may be levied, rated, charged or assessed against or in respect of all improvements, equipment, facilities on or in the Leased Premises and every tax and license fee in respect of any business carried on thereon or therein or in respect of the use or occupancy of the Leased Premises.

5.06 The Tenant covenants with the Landlord to pay to the Landlord the GST at the same time as rent is payable under Section 4.01 hereof. The Landlord shall have the same rights and remedies with respect to non-payment of GST as it does with respect to non-payment of rent.

ARTICLE 6 - USE OF PREMISES

6.01 The Leased Premises shall be used by the Tenant for the purpose of conducting therein a sit down family type restaurant, drive-thru, take out and delivery fast food facility, or any combination thereof which may or may not be licensed to sell alcoholic beverages, or any other lawful use.

6.02 The Tenant shall not commit, cause or permit any nuisance or waste on the Leased Premises or permit the emission of any offensive substance, odour or noise from the Leased Premises.

6.03 The Tenant will not bring upon the Leased Premises or any part thereof, any machinery, equipment, article or thing that by reason of its weight, size, or use might, in the opinion of the Landlord, damage the Leased Premises and will not at any time overload the floors of the Premises, the roof deck, the perimeter walls, ceilings, structural steel elements, overhead doors or the parking lots.

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

ARTICLE 7 - REPAIRS AND MAINTENANCE

7.01 The Tenant shall repair the Leased Premises. Without limiting the generality of the foregoing, the Tenant's obligation to repair extends to matters notwithstanding that such may be commonly known as a repair of a capital or structural nature.

7.02 The Tenant shall provide normal day-to-day maintenance of the Leased Premises and will repair according to notice in writing. The obligations of the Tenant to provide normal day-to-day maintenance of the shall include, without limitation, snow removal for the Building, outside maintenance and gardening of the Building, pest control for the Building, painting and decorating, and maintenance of the parking lot.

ARTICLE 8 - COMPLIANCE WITH LAWS

8.01 The Tenant, at its own expense, shall comply promptly with and conform to the requirements of all applicable statutes, laws, by-laws, regulations, ordinances and order at any time in force during the term which affect the condition, equipment, maintenance, occupation of the Leased Premises, and with every applicable reasonable regulation, order and requirement of the Canadian Fire Underwriters Association or any body having similar functions or of liability or fire insurance company by which the Building may be insured by the or the Tenant at any time during the Term.

8.02 If the Tenant defaults under the provisions of this Article, the Landlord may with the requirements of this Article and the Tenant shall forthwith pay all costs and incurred by the Landlord in so doing and all such costs and expenses shall be recoverable by the Landlord as additional rent.

ARTICLE 9 - UTILITIES

9.01 The Tenant shall make arrangements, at its own cost and expense, directly with service companies and private utilities supplying Utilities during and throughout the Term shall indemnify Landlord against any liability for any charges therefor.

9.02 The Tenant shall pay promptly when due all charges, costs, accounts and any other sums payable by reason of the supply of the Utilities.

9.03 The Tenant, at its own cost and expense, shall procure each and every permit, licence or other authorization required during the Term, for lawful and proper installation upon the Building of wire, pipes, conduits, tubes and other equipment and appliances for use in Utilities.

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

ARTICLE 10 - TENANT'S INSURANCE

10.01 The Tenant shall throughout the Term hereof keep in full force and effect at its sole cost and expense in the names of the Tenant, the Landlord and the Landlord's mortgagees as their respective interests may appear,

- (a) all risks (including flood and earthquake) property insurance in an amount of at least one hundred percent (100%) of the full replacement

cost, insuring (1) all property owned by the Tenant, or for which the Tenant is legally liable, or installed by or on behalf of the Tenant, and located within the Building including, but not limited to, fittings, installations, alterations, additions, partitions, and all other leasehold improvements, and (2) the Tenant's inventory, furniture and movable equipment;

- (b) the repair and replacement of boilers, pressure vessels, air-conditioning equipment and miscellaneous electrical apparatus on a broad form blanket coverage basis;
- (c) public liability and property damage insurance including personal injury liability, contractual liability, non-owned automobile liability and owners' and contractors' protective insurance coverage with respect to the Leased Premises, coverage to include the activities and operations conducted by the Tenant and any other parties on the Leased Premises and by the Tenant and any other parties, performing work on behalf of the Tenant and those for whom the Tenant is in law responsible. Such policies shall (1) be written on a comprehensive basis with inclusive limits of at least Two Million Dollars (\$2,000,000.00) for bodily injury for any one or more persons, or property damage, (but the Landlord, acting reasonably, or the mortgagee, may require higher limits from time to time) and (2) contain a severability of interests clause and cross liability clauses;
- (d) Tenant's legal liability insurance for the replacement cost of the Leased Premises;
- (e) any other form of insurance as the Landlord, or the Landlord's mortgagee reasonably require from time to time, in form, in amounts and for risks against which a prudent tenant would insure.

10.02 Notwithstanding subsection 10.01 above, the Tenant shall be entitled to insure the Leased Premises, and the Tenant's business operations therein, under the Tenant's blanket insurance policy which the Tenant maintains for the group of restaurants operated by the Tenant, including the deductible amounts and amounts of coverages as therein contained.

10.03 All the foregoing policies shall be kept in good standing and in full force and effect at all times throughout the Term, shall be reviewed annually by the Tenant to ensure that they are up to policies shall contain a waiver of any right of subrogation or recourse by the Tenant's insurers against the Landlord or the Landlord's mortgagees, their contractors, agents and employees, whether or not any loss is caused by the act, omission or negligence of the Landlord, its mortgagees, their contractors, agents or employees. The Tenant shall obtain undertakings to the Landlord from its respective insurers that none of the foregoing policies shall be cancelled or allowed to lapse or materially changed, as against the Landlord or its mortgagees until at least thirty days written notice has been given to the Landlord and its mortgagees to that effect. The Tenant shall provide the Landlord with a certificate of such insurance coverages, issued by its insurer, in the insurer's form, as evidence of compliance with its obligations to insure under this Lease, and the Tenant shall not be required to provide either the original or certified copies of the Tenant's blanket insurance policy to the Landlord.

10.04 If the Tenant fails to take out fifty of the foregoing insurance, or permits any such insurance to lapse, or fails to put such insurance in good standing promptly after the Landlord or its mortgagees have received notice of an intended cancellation or lapse and have notified the Tenant thereof, the Landlord or its mortgagees may place such insurance on the Tenant's behalf and the premiums payable for such

insurance shall be payable by the Tenant to the Landlord or its mortgagees forthwith.

ARTICLE 11 - LANDLORD'S INSURANCE

11.01 The Landlord shall throughout the Term hereof keep in full force and effect the following insurance (collectively the "Landlord's Insurance"):

- (a) "all risks" rent and rental value insurance in an amount sufficient to replace all Minimum Rent, Percentage Rent and additional rent payable under the provisions of this Lease for an indemnity period of one year or such other period as the Landlord may determine;
- (b) such insurance as may be available to it at reasonable cost under a standard extended form of fire insurance policy but excluding foundations and excavations and any property that the Tenant is obliged to insure and with such reasonable deductions and exclusions as would be carried by a prudent owner of a similar building, having regard to the size, age and location of the Building.

11.02 The Tenant covenants with the Landlord to pay to the Landlord as additional rent the costs to the Landlord of the Landlord's Insurance within thirty (30) days following written demand therefor by the Landlord.

11.03 The amount of any bill or account for Landlord's Insurance shall be apportioned between the Landlord and the Tenant where the Tenant is not in possession of the Leased Premises for the whole of the period covered by the amount of such bill or account.

11.04 The Tenant shall not be an insured under the policies with respect to the Landlord's Insurance, nor shall it be deemed to have any insurable interest in the property covered by such policies, or any other right or interest in such policies or their proceeds.

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

11.06 If any insurance policy upon the Building or any part thereof shall be cancelled or shall be threatened by the insurer to be cancelled, or the coverage thereunder reduced in any way by the insurer by reason of the use and occupation of the Leased Premises or any part thereof by the Tenant or by any assignee or subtenant of the Tenant, or by anyone permitted by the Tenant to be upon the Leased Premises, and if the Tenant fails to remedy the conditions giving rise to the cancellation, threatened cancellation or reduction of coverage within forty-eight (48) hours after notice thereof by the Landlord, the Landlord may, at its option, either: (a) re-enter and take possession of the Leased Premises forthwith by leaving upon the Leased Premises a notice in writing of its intention so to do and thereupon the Landlord shall have the same rights and remedies as contained in Article 22 hereof;

or (b) enter upon the Leased Premises and remedy the conditions giving rise to such cancellation, threatened cancellation or reduction, and the Tenant shall forthwith pay the cost thereof to the Landlord, which cost may be collected by the Landlord as additional rent and the Landlord shall not be liable for any damage or injury caused to any property of the Tenant or of others located on the Leased Premises as a result of such entry. The Tenant agrees that any such entry by the Landlord is not a re-entry or a breach of any covenant for quiet enjoyment contained in this Lease.

ARTICLE 12 - DAMAGE AND DESTRUCTION

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

12.02 Notwithstanding section 12.01, if the Leased Premises or any portion thereof are damaged or destroyed by any cause whatsoever and cannot, in the reasonable opinion of the Landlord, be rebuilt within 180 days of the damage or destruction, the Landlord instead of rebuilding the Leased Premises may terminate this Lease by giving to the Tenant within 30 days after such damage or destruction notice of termination and thereupon rent and other payments hereunder shall be apportioned and paid to the date of such damage or destruction and the Tenant shall immediately deliver up vacant possession of the Leased Premises to the Landlord.

12.03 Notwithstanding sections 12.01 and 12.02, in the event of damage or destruction occurring by reason of any cause in respect of which proceeds of insurance are substantially insufficient to pay for the costs of rebuilding the Building or the Leased Premises, the Landlord may terminate this Lease on written notice to the Tenant.

ARTICLE 13 - EXPROPRIATION

13.01 If during the Term the whole of the Leased Premises shall be expropriated or such portion of the Leased Premises as renders the remainder unsuitable or impracticable for the purposes intended in this Lease shall be expropriated, upon possession being required all rentals shall be paid up to that date and both the Landlord and the Tenant will have their separate and distinct claims against the expropriating authority in such manner as may be provided in law, and neither shall have a claim against the other for the termination of the Lease or the shortening of the Term of the Lease.

13.02 In the event of any expropriation of part of the Leased Premises that does not render the remainder unsuitable or impracticable for the purposes intended in this Lease there shall be no abatement of rent or other charges under this Lease and both the Landlord and the Tenant will have their separate and distinct claims against the expropriating authority in such manner as may be provided in law, and neither shall have a claim against the other of any type or kind.

ARTICLE 14 - INSPECTION OF PREMISES BY LANDLORD

14.01 Landlord shall have the right to enter the Leased Premises at all reasonable times on reasonable notice to the Tenant for the purpose of:

- (a) making any repairs to the Leased Premises and performing any work therein that may be necessary by reason of the Tenant's default under the terms of this Lease continuing beyond any applicable grace periods;
- (b) exhibiting the Leased Premises (within three (3) months prior to the expiration of the Term of this Lease or any renewal thereof) to prospective tenants and (at any time during the Term) to prospective purchaser's and mortgagees; and
- (c) viewing the state of repair of the Leased Premises.

14.02 Landlord shall have the right to enter the Leased Premises at any time in the event of an emergency.

ARTICLE 15 - LOSS OR DAMAGE, INDEMNITY

15.01 The Landlord, its contractors, agents and employees shall not be liable for any death, injury, or damage to or loss of property, of the Tenant, its employees, agents, or invitees occurring in or about the Leased Premises, unless such death, injury, damage or loss resulted from the negligence of the Landlord, its contractors, agents or employees or other persons for whom it may be responsible. All property of the Tenant within the Leased Premises shall be at the risk of the Tenant only.

15.02 The Tenant shall, during the Term, indemnify and save harmless the Landlord from any and all liabilities, damages, costs, claims, suits or actions incurred by it as a result of or arising out of:

- (a) any breach, violation or non-performance of any covenants, condition or agreement in this Lease set forth and contained, on the part of the Tenant to be fulfilled, kept and observed and performed;
- (b) any damage to property occasioned by the Tenant's use and occupation of the Leased Premises; and
- (c) any injury to person or persons, including death, resulting at any time therefrom occurring in or about the Leased Premises and/or on the sidewalks and laneways or streets adjacent to same, unless the same is caused by the negligence of the Landlord, its servants or agents or others for whom it is in law responsible.

ARTICLE 16 - LANDLORD MAY CURE TENANT'S DEFAULTS

16.01 If the Tenant shall default in the performance of any of the terms, covenants and conditions of this Lease, the Landlord, after fifteen (15) days' notice to the Tenant specifying such default, or without notice if, in the reasonable exercise of the Landlord's judgment, an emergency exists, may but shall not be obligated to perform the same for the account and at the expense of the Tenant and the amount of any payments made or expenses incurred by the Landlord for such purpose, shall become due and payable by the Tenant as additional rent with the next or any subsequent installment of rent which shall become due after such expenditure by the Landlord; but any such expenditure by the Landlord shall not be deemed to waive or relieve the Tenant's default or the right of the Landlord to take such action as may be permissible under the terms of this Lease in the event of such default. When no emergency exists, the provisions of this Article shall be inapplicable if, within fifteen (15) days after such notice by the Landlord, the Tenant shall have cured such default or shall have commenced and is diligently proceeding to cure same.

ARTICLE 17 - CONSTRUCTION LIENS

17.01 If any construction or other liens or order for the payment of money shall be filed against the Leased Premises by reason of or arising out of any labour or material furnished to the Tenant or to anyone claiming through the Tenant, the Tenant within thirty (30) days after notice to the Tenant of the filing thereof shall cause the same to be discharged by bonding, deposit, payment, court order or otherwise. The Tenant shall defend all suits to enforce such lien, or orders, against the Tenant, at the Tenant's sole expense. The Tenant hereby indemnifies the Landlord against any expense or damage as a result of such liens or orders.

17.02 Notwithstanding anything contained in this Lease, the Landlord and the Tenant agree that the Landlord has not, nor is it intended by any provisions of this Lease, waived the right to receive any notice required to be given the Landlord by any person doing work or supplying materials to the Tenant pursuant to the provisions of the *Construction Lien Act*.

ARTICLE 18 - WAIVERS, CUMULATIVE REMEDIES, ETC.

18.01 The specific remedies to which Landlord may resort under the provisions of this Lease are cumulative and are not intended to be exclusive of any other remedies or means or redress to which it may be lawfully entitled in case of any breach or threatened breach by the Tenant of any of the terms, covenants and conditions of this Lease. The failure of the Landlord to insist upon Lease provided, the Landlord shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of any of the terms, covenants and conditions of this Lease or to a decree, in any court having jurisdiction of the matter, compelling performance of any such terms, covenants and conditions.

ARTICLE 19 - INVALIDITY OF PARTICULAR PROVISIONS

19.01 If any term or provision of this Lease or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such terms or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

ARTICLE 20 - ALTERATIONS AND ADDITIONS

20.01 The Tenant shall not make any repairs, alterations, replacements or improvements to the structure, any perimeter or bearing wall or alterations, replacements or improvements to the sprinkler system, or the heating, ventilating, air-conditioning, plumbing, electrical or mechanical equipment of the Leased Premises or the Building without obtaining the Landlord's prior written approval, which approval may not be unreasonably or arbitrarily withheld, but may be given on such conditions as the Landlord reasonably imposes. With any such request, the Tenant shall submit to the Landlord details of the proposed work, including drawings and specifications prepared by qualified architects or engineers, if the Landlord shall so require, and conforming to good construction practice. The Tenant will pay the Landlord's reasonable out-of-pocket expenses for consulting services in connection with the Landlord's consideration of any request for approval under this section. Any such repairs, alterations, replacements or improvements shall comply with all applicable laws, by-laws, regulations, and orders enacted or made by any federal, provincial or municipal authority having jurisdiction, and the Landlord's fire insurance underwriters. The Tenant shall at its own expense obtain all requisite building and other permits.

20.02 The Tenant shall indemnify the Landlord and save it harmless from any costs, expenses, damages or increased insurance premiums which may result from the performance of any work (whether or not the Landlord's approval was required or obtained under section 20.01).

20.03 Provided the Tenant obtains all necessary permits and approvals from all authorities having jurisdiction, and provided the Tenant's signage does not conflict with the Landlord's signage criteria for the Building, the Tenant shall have the right to install and use such signage as is used and installed by the Tenant in its other retail locations in the Province of Ontario, and to use those trademarks, names, logos and other registrable marks as may from time to time be used by the Tenant in its business operations. The Tenant shall also have the right to install and use its standard illuminated menu board within the Leased Premises.

ARTICLE 21 - ASSIGNMENT AND SUBLETTING

21.01 The Tenant shall not assign, sublet, transfer, set over, mortgage, charge, hypothecate, create any security interest in, or part with possession of, all or any part of the Leased Premises or of this Lease (a "Transfer"), without, the prior written consent of the Landlord in each instance, which consent may not be unreasonably withheld. With any request for consent, the Tenant shall submit information as to the financial background, financial status, and business history of the party who is to acquire an interest in the Tenant or in this Lease or the Leased Premises (the "Transferee") and such other information as the Landlord may reasonably request in connection with such request for consent.

Any consent by the Landlord under this Article shall not constitute a waiver of the necessity for such consent on any subsequent occasion requiring consent, and shall not relieve the Tenant from any of its obligations to pay rent or perform the covenants contained in this Lease. Notwithstanding any Transfer, the Tenant shall not be relieved of liability by any subsequent amendment of the terms hereof between the Landlord and the assignee or any granting of time, renewals, extensions, indulgences, releases, discharges or other arrangements with the assignee. If this Lease is disclaimed or terminated by any trustee in bankruptcy of any assignee of this original Lease, the tenant named in this Lease shall, if requested by the Landlord within thirty days of such disclaimer or termination, enter into a lease with the Landlord upon the same terms and conditions as contained herein except for the duration of term which, shall expire on the date this Lease would have expired save for such disclaimer or termination. Any assignment or other document effecting a transaction to which the Landlord's consent is required shall be in a form satisfactory to the Landlord. Any assignment or sublease shall at the Landlord's option be on the Landlord's form and shall in any event contain a covenant by the Transferee. With the Landlord that it will observe and perform all of the Tenant's obligations contained in this Lease. Any such document shall be reviewed by the Landlord or its solicitors or prepared by them at the expense of the Tenant.

21.02 The Landlord's consent to any Transfer shall be subject to the condition that if the minimum rent and additional rent to be paid by the Transferee under such Transfer exceeds the Minimum Rent, Percentage Rent and additional rent payable under this Lease, the amount of any 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 rent and additional rent for such Transfer, either in the form of cash, goods or services (other than the proceeds of any bona fide financing as the result of a Transfer involving a mortgage, charge or similar security interest in this Lease) the Tenant shall forthwith pay to the Landlord an amount equivalent to such consideration. The Tenant and the Transferee shall execute any agreement required to give effect to the foregoing term.

ARTICLE 22 - DEFAULT AND REMEDIES

22.01 If any of the following shall occur:

- (a) If the Tenant shall fail to pay any rent or other sums due hereunder when due, and if such rent or other sums are not paid within five days after notice is given by the Landlord of such non-payment;
- (b) If he Tenant does not observe, perform and keep each and every of the covenants, provisions, stipulations, conditions, rules and regulations and other terms herein contained to be observed, performed and kept by the Tenant, and, where the breach can be rectified, such non-observance or non-performance shall continue for fifteen days after notice is given by the Landlord requiring that the Tenant rectify the breach, except where rectifying the breach would reasonably require more than fifteen days and the Tenant has commenced rectification in good faith within the fifteen day period and thereafter promptly, diligently and continuously proceeds with rectification of the breach;
- (c) If the Tenant shall abandon the Leased Premises, or make a bulk sale of its goods or sell the business conducted at the Leased Premises, or move, or commence, attempt or threaten to move any of its goods, chattels and equipment out of the Leased Premises (other than in the ordinary course of its business);
- (d) If a writ of execution shall issue against the Tenant, or if the Term hereby granted or any of the goods, chattels or equipment of the Tenant shall be taken in execution or attachment or be seized by any creditor of the Tenant, whether secured or otherwise;
- (e) If the Tenant shall become insolvent or commit an act of bankruptcy or become bankrupt or take the benefit of any Act that may be in force for bankrupt or insolvent debtors, or become involved in voluntary or involuntary winding up proceedings, or if a receiver shall be appointed by the Court or by any creditor for the business, property, affairs or revenues of the Tenant;

then, and in every such case, the Landlord may, in addition to any other rights or remedies it may have under other provisions of this Lease or by law, at its option exercise all or any of the following remedies:

- (i) The Landlord may perform any obligation which the Tenant should have performed or cause the same to be performed and for such purpose may enter upon the Leased Premises and do such things thereon as the Landlord may consider requisite without effecting a termination of this Lease;
- (ii) The Landlord may enter the Leased Premises and distrain upon the goods and chattels of the Tenant, or may remove and sell the goods, chattels and equipment of the Tenant without any notice or form of legal process, any rule of law to the contrary notwithstanding, and the Landlord may seize and sell the goods and chattels and the equipment, whether they are within the Leased Premises or at any place to which the Tenant or any other person may have removed them in the same manner as if they had remained and been distrained upon in the Leased Premises, and the Landlord may follow the goods and chattels for the maximum period permitted by law, and any sale by the Landlord may, in its sole discretion, be effected by public auction or private contract and either in bulk or by individual items, or partly by one means and partly by the other.

- (iii) The Landlord may remove the goods, chattels, equipment and fixtures of the Tenant from the Leased Premises and store them in a public warehouse or elsewhere at the cost of and for the account of the Tenant.
- (iv) In order to relet, the Landlord may take possession of the Leased Premises as agent of the Tenant and effect such alterations and repairs as it may deem necessary or advisable for the purpose of such reletting, and it may relet the Leased Premises or any part thereof for such term or terms (which may be for a term extending beyond the Term) 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 Landlord's costs and expenses of such reletting and costs of such alterations and repairs; second to the payment of any indebtedness other than rent due from the Tenant to the Landlord; third to the payment of arrears of rent and other sums owing hereunder; fourth to the payment of rent and other sums owing hereunder as such fall due; and the residue, if any, shall be held by the Landlord without interest until the end of the Term and applied from time to time in payment of rent and other sums owing hereunder as the same may become due and payable, and any residue remaining at the end of the Term shall be held for the Tenant. No such reletting, nor the receipt of any such rentals from any new tenant, nor the creation of the relation of landlord and tenant between the Landlord and any party to whom the Leased Premises may have been relet, shall have the effect of exonerating the Tenant from its obligations to pay rent hereunder as it falls due or of in any way terminating this Lease.
- (v) The Landlord may terminate this Lease by commencing an action for possession or for termination of the Lease or by notice to the Tenant. Such termination may be effected either at or after the time of the breach or at any later time and notwithstanding that the Landlord may have exercised any of its other remedies including that set out under subsection (i) hereof. In the event that the Landlord or anyone claiming under it or to whom it has rented the Leased Premises is in possession under the provisions of subsection (i) hereof, the Landlord may at any time terminate this Lease by notice to the Tenant and thereafter any then existing or later lease of the Leased Premises shall be for the account of the Landlord notwithstanding that such lease may originally have been entered into as agent for the Tenant. If the Landlord enters the Leased Premises without notice to the Tenant as to whether it is terminating this Lease under subsection (j) or proceeding under subsection (i) or any other provision of this Lease, the Landlord shall be deemed to be proceeding under subsection (i) and the Lease shall not be terminated, nor shall there be any surrender by operation of law, but the Lease shall remain in full force and effect until the Landlord notifies the Tenant that it has elected to terminate this Lease. No entry by the Landlord during the Term shall have the effect of terminating this Lease without notice to that effect to the Tenant.
- (vi) The Landlord shall be entitled to damages from the Tenant for breach of this Lease.
- (vii) At the option of the Landlord, in the case of the events stated in (d) or (e) above occurring, the full amount of the current month's rent and

the next ensuing three months' rent shall accelerate and shall immediately become due and payable.

- (viii) On any termination for default, all fixtures, Tenant's improvements or other installations in the Leased Premises, which in law are fixtures or a part of the realty or are attached, affixed to or incorporated into or with the immovable properties situated in or upon the Building or the Leased Premises, and which are not the property of the Landlord, shall at the Landlord's option forthwith become the property of the Landlord, and whether or not such fixtures are in the nature of Tenant's trade fixtures, and whether or not they would be removable by the Tenant at the expiry of the Term if there had been no default.

22.02 Notwithstanding any provision to the contrary in this Lease, the Tenant shall not be obligated to conduct its business operations on the Leased Premises continuously or in a continuous and uninterrupted manner. In the event that the Tenant elects not to so operate its business on the Leased Premises, it is acknowledged and agreed that the Tenant shall still be bound by all of the other applicable terms and covenants of this Lease, save and except that there shall be no default under this Lease as a result of the Tenant's cessation of business operations on the Leased Premises.

22.03 Whenever the Landlord takes any proceedings, sends any notices, does any work, or otherwise incurs any expense or trouble or takes any action with respect to any default by the Tenant, and whether or not legal proceedings are begun or considered in consequence of such default, and whether or not this Lease is terminated, the Landlord shall be entitled to be paid by the Tenant forthwith on demand in addition to any other amounts which may be payable or owing hereunder, all of the following:

- (a) the cost of effecting any repairs or performing any obligation of the Tenant, together with an allowance of fifteen per cent (15%) for the Landlord's overhead and supervision;
- (b) the Landlord's costs and expenses in preparing the Leased Premises for reletting in such manner as in its sole discretion it deems necessary or advisable, together with an allowance of fifteen per cent (15%) for the Landlord's overhead and supervision;
- (c) the Landlord's Court costs, collection costs, and legal fees as between a solicitor and his own client and all judicial and extra-judicial fees of advocates and notaries;
- (d) (4 interest on rent or any other amounts overdue under the terms of this Lease and on any monies expended by the Landlord in consequence of any default by the Tenant at the rate of eighteen per cent (18%) per annum;
- (e) a charge of fifty dollars (\$50.00) for each cheque of the Tenant which is returned to the Landlord because of insufficient funds in the Tenant's account;
- (f) any other costs, charges or expenses, which the Landlord incurs or to which it is put, and which would not have been necessary at the time at which they were incurred but for the default of the Tenant.

22.04 Notwithstanding anything contained in any statute at the present time or in the future in force, the Tenant hereby agrees with the Landlord that none of the Tenant's goods or chattels on the Leased Premises at any time during the Term shall

be exempt from levy by distress for rent and other costs and charges payable hereunder in arrears, and that the Landlord may follow the Tenant's goods or chattels without limitation of time, and that on any termination of the Lease by the Landlord under the terms hereof, the Tenant shall have no right of redemption or relief from forfeiture, and that the Landlord may enter or take possession of the Leased Premises without judicial order, a writ of possession or any other legal process, and without notice to the Tenant except as provided under this Lease. The Tenant hereby waives all and every benefit that could or might have accrued to the Tenant, but for this section, by virtue of any present or future statute dealing with the matters set out in this section. The Tenant agrees that upon any claim being made for an exemption from levy by distress, or for a right of redemption or relief from forfeiture, or that the Landlord must proceed by judicial process to obtain possession, or with respect to any of the other rights dealt with herein, this section of this Lease may be pleaded as an estoppel against the Tenant in any action brought in which the rights of the Landlord to take the steps set out in this section are in question.

ARTICLE 23 - FINANCING AND ASSIGNMENT BY LANDLORD

23.01 Within ten days after written request therefor by the Landlord, the Tenant shall deliver, in a form supplied by the Landlord, a certificate and acknowledgement to any proposed mortgagee or purchaser, or the Landlord, certifying (if such be the case) that this Lease is in full force and effect (or if there have been amendments, that the Lease is in full force and effect as amended and identifying the amending agreements), the commencement date and Term of the Lease, the dates to which rent and other charges have been paid and whether the Tenant has made any prepayments thereof, whether there is any existing default by the Landlord or the Tenant or any set-offs or claims by the one against the other, and whether there is any work remaining to be done by the Landlord within or to the Leased Premises, and shall provide, promptly upon availability and in any event within 120 days after the end of each fiscal year of the Tenant, a copy of its financial statements prepared by a chartered accountant in accordance with GAAP and, as the Landlord may reasonably request, the financial statements shall be audited by an independent firm of chartered accountants, The Tenant shall, on the request of the Landlord, acknowledge in writing receipt of any notice of assignment of this Lease by the Landlord.

23.02 This Lease and all the rights of the Tenant hereunder are and shall at all times be subject and subordinate to any and all mortgages, trust deeds, charges, liens or other security instruments or rights granted or placed on the Lands and Building or any part thereof by the Landlord. Upon request of the Landlord from time to time, the Tenant shall within ten days of such request execute such documents or assurances in such form as the Landlord or its lenders may require to subordinate this Lease to such security and all advances made or to be made upon the security thereof, and if requested, attorning to the holder thereof provided that the said lender first enters into a non-disturbance agreement with the Tenant in form and substance satisfactory to the Tenant acting reasonably.

23.03 In the event of a sale or lease by the Landlord of all of the Leased Premises, or the assignment by the Landlord of this entire Lease, and to the extent that any purchaser, lessee or assignee of the Landlord has, by an instrument entered into with the Landlord, assumed the covenants and obligations of the Landlord hereunder, the Landlord shall without further written agreement or instrument and without notice to the Tenant be freed and released from liability upon the covenants and obligations contained in this Lease.

ARTICLE 24 - NOTICE

24.01 Any notice to be given by the provisions of this Lease shall be sufficiently given if served personally or if mailed postage prepaid at any Post Office in Canada in a registered letter:

(a) if to the Landlord, addressed to the Landlord at:

Canada Trust Tower
BCE Place
161 Bay Street
Suite 2300
Toronto, Ontario
M5J2S1

Attention: Lilly Di Massimo
Facsimile: 416-361-6018

(b) if to the Tenant, addressed to the Tenant at:

101 Exchange Avenue
Vaughan, Ontario
L4K 5R6

Attention: Peter Walkey
Facsimile: 416-361-6018

or to such other address as the party concerned shall have notified the other in writing. Any notice so mailed shall be held conclusively to have been given 72 hours after such mailing provided however that if at the time of such mailing strike is a mail in progress which affects the delivery of such notice, such notice shall not be deemed to have been received until it is actually received. Either party may from time to time notice by to the other change the address to which notices are to be given.

ARTICLE 25 - SURRENDER OF PREMISES - OWNERSHIP OF IMPROVEMENTS

25.01 The Tenant, upon expiration of the Term or earlier termination of this Lease, shall peaceably and quietly surrender the Leased Premises and any improvements thereon in accordance with this Article 25 and in good order, repair and condition.

25.02 The Tenant shall on any surrender of possession of the Leased Premises have the right (but not the obligation) to remove such of its trade fixtures, other fixtures, leasehold improvements and equipment which are incorporated into, affixed or attached to and which have become a part of the Lands and Building, including such trade fixtures and leasehold improvements which identify the Leased Premises as any particular outlet, and in effecting such removal, shall do no damage to the Leased Premises or any parts of the Lands and Building. Any leasehold improvements, equipment and fixtures which are not removed by the Tenant shall on surrender of possession by the Tenant become the sole and exclusive property of the Landlord without payment to the Tenant, For greater certainty, the Landlord acknowledges that the Tenant shall not be required to remove the interior partitions, drywall, storefront and bulkhead Corn the Leased Premises.

25.03 When not in default at the expiration of the Term, or at any time during the term if not in default and in the ordinary course of business, the Tenant may remove

the Tenant's trade fixtures, inventory and trade articles provided the Tenant makes good any damage in so doing.

ARTICLE 26 - QUIET ENJOYMENT

26.01 The Landlord covenants with the Tenant that if the Tenant pays the rents hereby reserved and performs its covenants and obligations herein contained, the Tenant may peaceably possess and enjoy the Leased Premises for the Term without interruption or disturbance from the Landlord or any other person lawfully claiming by from or under it.

ARTICLE 27 - CONDITION OF PREMISES

27.01 The Tenant acknowledges and agrees that it is leasing the Leased Premises on an "as is where is" basis and that there are no representations or warranties with respect to the Leased Premises.

ARTICLE 28 - MISCELLANEOUS

28.01 The parties acknowledge and agree that this is a lease of six (6) separate properties each with their own municipal address, legal description, and rent. Where applicable, the terms of this Lease shall be interpreted as if they apply to each separate property individually.

28.02 If the Tenant shall remain in occupation of the Leased Premises after the expiry of the Term hereby granted and any renewal thereof hereby granted, with or without the consent of the Landlord and without any further written agreement, the Tenant shall be a monthly tenant at a monthly rental herein reserved and otherwise on the terms and conditions herein set forth, except as to the length of tenancy.

28.03 All waivers made by the Landlord shall be in writing and no waiver by the Landlord of any default made by the Tenant under this Lease shall be construed as a waiver of any other default which has been made or which may thereafter be made by the Tenant unless so specified in writing. No surrender of this Lease by the Tenant shall be valid unless accepted in writing by the Landlord.

28.04 This Lease contains the entire agreement between the parties relating to the Leased Premises and shall not be modified in any manner except by an instrument in writing executed by the parties and this Lease shall supercede and replace any and all existing leases or agreements to lease between the parties with respect to the Leased Premises.

28.05 The captions herein are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease nor in any way affect this Lease.

28.06 This Lease is subject to the condition that it is to be effective only on obtaining such consents, if any, as may be required under the *Planning Act*. The Landlord covenants and agrees to apply and proceed diligently at its expense to obtain any necessary consent to this Lease.

28.07 The covenants, agreements, terms, provisions and conditions of this Lease shall be binding upon and enure to the benefit of the Landlord and the Tenant and their successors and permitted assigns.

28.08 The Tenant shall not register this Lease in full against the title to the Lands. The Tenant may register the minimum notice or memorial of lease required to give notice of its interest under the applicable registration statute with the written consent of the Landlord, such consent not to be unreasonably withheld.

28.09 Without limiting the generality of anything else herein contained, the parties agree that upon expiration of the Term or any renewal thereof, or any earlier termination of this Lease, the Tenant's right of possession shall cease and terminate, but the obligations of the parties with respect to any item of rent or covenants not performed at the date of such expiration, any indemnification, or any other obligations which, by their nature are not completely performed prior to such expiration, shall remain in full force and effect until satisfied. It is agreed, however, that in no event shall the Tenant have any interest in or right to possession of the Leased Premises or any part of the Lands or Building after the expiration of the Term or any renewal thereof, or any such earlier termination of this Lease.

28.10 Each of the Landlord and Tenant has full authority to enter into this Lease and to perform its obligations hereunder.

ARTICLE 29 - OPTION TO PURCHASE

29.01 The Tenant shall have the option to purchase the Lands effective upon the expiry of the Term of this Lease upon the terms and conditions hereinafter set out:

- (a) The Tenant (Optionee) shall exercise this option to purchase by notice in writing to the Landlord (Optionor) given at least three (3) months prior to the expiry of the Term of the Lease. The option is not severable from the balance of this Lease and may be exercised only by the Tenant under this Lease.
- (b) The agreement of purchase and sale resulting from the exercise of the aforesaid right shall be effective to create an interest in the Leased Premises only if the applicable land division provisions of the Planning Act are complied with.
- (c) The purchase price (the "Purchase Price") for the Lands shall be the fair market value (as agreed to between the Optionor and Optionee) of the Lands as of the date which is three (3) months prior to the expiry to the Term.
- (d) The purchase of the Lands contemplated herein shall be completed upon the date of the expiry of the Term.

ARTICLE 30 - NET LEASE

30.01 The parties acknowledge and agree that it is intended that this Lease be a completely net net net and carefree lease to the Landlord, and that except as otherwise specifically provided herein, the Landlord is not responsible during the Term for any costs, charges, expenses and outlays of any nature arising from or relating to the Leased Premises or the use or occupancy thereof, and the Tenant shall pay all charges and expenses relating to the Leased Premises.

30.02 The parties acknowledge that nothing in this Lease has the effect of making the Tenant responsible for the Landlord's debt service costs (principal and interest) or the Landlord's income taxes capital taxes, value added taxes, business transfer taxes or other taxes personal to the Landlord.

30.03 The parties hereby confirm that the Original Lease remains in full force and effect and unamended except as expressly provided herein, without novation of the Original Lease.

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

**SCOTT'S TRUSTEE CORP., in its capacity
as trustee of SCOTT'S GP TRUST, in its
capacity as general partner of SCOTT'S
REAL ESTATE LIMITED PARTNERSHIP**

By: 

Name:

Title:

I have the authority to bind the Corporation.

**KIT LIMITED PARTNERSHIP,
by its general partner KIT INC.**

By: _____

Name:

Title:

I have the authority to bind the Corporation.

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

**SCOTT'S TRUSTEE CORP., in its capacity
as trustee of SCOTT'S GP TRUST, in its
capacity as general partner of SCOTT'S
REAL ESTATE LIMITED PARTNERSHIP**

By: _____

Name:

Title:

I have the authority to bind the Corporation.

**KIT LIMITED PARTNERSHIP,
by its general partner KIT INC.**

By:  _____

Name:

Title:

I have the authority to bind the Corporation.

SCHEDULE "A"

Store No. 1351, 1630 Queen St. East, Toronto

PIN: 21023-0163 LT

Lots 5 and 6, Plan 455E, Toronto; City of Toronto

Store No. 1412, 415 Pembroke Street East, Pembroke

PIN: 57141-0002 LT

Lots 74 and 75, Plan 18, City of Pembroke

Store No. 1438, 1683 Dundas Street, London

PIN: 08112-0198 LT

Part of Lots 5,6, 7 and 8, Plan 477, as in Instrument No. 300061, London, London Township

Store No. 1529, 1314 Dufferin Street, Wallaceburg

PIN: 0058 1-0092 R

Lot 69, Plan 410, formerly town of Wallaceburg, County of Kent, Municipality of Chatham-Kent

Store No. 1532, 1300 Lasalle Blvd., Sudbury

PIN: 02120-0040 LT

Part of Lot 2, Plan M-300, City of Sudbury, Regional Municipality of Sudbury

Store No. 1534, 582 Kathleen Street West, Sudbury

PIN: 02128-0365 LT

Lots 169 and 170, Plan M-1 00, City of Sudbury, Regional Municipality of Sudbury

SCHEDULE "B"

Municipal Address	Rent Payable
<p>1630 Queen St. East, Toronto (Store No. 1351)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$39,686.00 of lawful money of Canada in twelve (12) equal monthly installments of \$3,307.17, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$41,670.00 of lawful money of Canada in twelve (12) equal monthly installments of \$3,472.50, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$43,753.00 of lawful money of Canada in twelve (12) equal monthly installments of \$3,646.08, in advance</p>
<p>415 Pembroke Street East, Pembroke (Store No. 1412)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of 653,587.00 of lawful money of Canada in twelve (12) equal monthly installments of \$4,465.58, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$56,266.00 of lawful money of Canada in twelve (12) equal monthly installments of \$4,688.83, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$59,080.00 of lawful money of Canada in twelve (12) equal monthly installments of \$4,923.33, in advance</p>
<p>1683 Dundas Street, London (Store No. 1438)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$67,450.00 of lawful money of Canada in twelve (12) equal monthly installments of \$5,620.83, in advance</p>

Municipal Address	Rent Payable
	<p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$70,823.00 of lawful money of Canada in twelve (12) equal monthly installments of \$5,901.92, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$74,364.00 of lawful money of Canada in twelve (12) equal monthly installments of \$6,197.00, in advance</p>
<p>1314 Dufferin Street, Wallaceburg (Store No. 1529)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$35,427.00 of lawful money of Canada in twelve (12) equal monthly installments of \$2,952.25, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$37,198.00 of lawful money of Canada in twelve (12) equal monthly installments of \$3,099.83, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$39,058.00 of lawful money of Canada in twelve (12) equal monthly installments of \$3,254.83, in advance</p>
<p>1300 Lasalle Blvd., Sudbury (Store No. 1532)</p>	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$61,822.00 of lawful money of Canada in twelve (12) equal monthly installments of \$5,151.83, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$64,913.00 of lawful money of Canada in twelve (12) equal monthly installments of \$5,409.42, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$68,159.00 of lawful</p>

Municipal Address	Rent Payable
	money of Canada in twelve (12) equal monthly installments of \$5,679.92, in advance
582 Kathleen Street West, Sudbury (Store No. 1534)	<p>(a) during the first through fifth years of the Term from March 28, 2003 until March 27, 2008 yearly and every year the sum of \$29,661.00 of lawful money of Canada in twelve (12) equal monthly installments of \$2,471.75, in advance</p> <p>(b) during the sixth through tenth years of the Term from March 28, 2008 until March 27, 2013 the sum of \$31,144.00 of lawful money of Canada in twelve (12) equal monthly installments of \$2,595.33, in advance</p> <p>(c) during the eleventh through fifteenth years of the Term from March 28, 2013 until March 27, 2018 yearly and every year the sum of \$32,701.00 of lawful money of Canada. In twelve (12) equal monthly installments of \$2,725.08, in advance</p>

COLONEL'S REALTY INC.
as Landlord

and

KIT LIMITED PARTNERSHIP
as Tenant

AMENDED AND RESTATED MASTER LEASE - QUEBEC PROPERTIES
As of October 6, 2005

ARTICLE 1 - DEFINITIONS.....	1
ARTICLE 2 - DEMISE.....	2
ARTICLE 3 - TERM.....	2
ARTICLE 4 - RENT.....	3
ARTICLE 5 - TAXES.....	3
ARTICLE 6 - USE OF PREMISES.....	3
ARTICLE 7 - REPAIRS AND MAINTENANCE.....	4
ARTICLE 8 - COMPLIANCE WITH LAWS.....	4
ARTICLE 9 - UTILITIES.....	4
ARTICLE 10 - TENANT'S INSURANCE.....	5
ARTICLE 11 - LANDLORD'S INSURANCE.....	6
ARTICLE 12 - DAMAGE AND DESTRUCTION.....	7
ARTICLE 13 - EXPROPRIATION.....	8
ARTICLE 14 - INSPECTION OF PREMISES BY LANDLORD.....	8
ARTICLE 15 - LOSS OR DAMAGE, INDEMNITY.....	8
ARTICLE 16 - LANDLORD MAY CURE TENANT'S DEFAULTS.....	9
ARTICLE 17 - LEGAL HYPOTHECS.....	9
ARTICLE 18 - WAIVERS, CUMULATIVE REMEDIES, ETC.....	9
ARTICLE 19 - INVALIDITY OF PARTICULAR PROVISIONS.....	9
ARTICLE 20 - ALTERATIONS AND ADDITIONS.....	9
ARTICLE 21 - ASSIGNMENT AND SUBLETTING.....	10
ARTICLE 22 - DEFAULT AND REMEDIES.....	11
ARTICLE 23 - FINANCING AND ASSIGNMENT BY LANDLORD.....	14
ARTICLE 24 - LIMITATION OF LIABILITY.....	15
ARTICLE 25 - NOTICE.....	15
ARTICLE 26 - SURRENDER OF PREMISES - OWNERSHIP OF IMPROVEMENTS.....	16
ARTICLE 27 - QUIET ENJOYMENT.....	16
ARTICLE 28 - CONDITION OF PREMISES.....	16
ARTICLE 29 - MISCELLANEOUS.....	16
ARTICLE 30 - NET LEASE.....	18

THIS AMENDED AND RESTATED LEASE made as of the 6th day of October, 2005

BETWEEN:

Colonel's Realty Inc.

(the "Landlord")

AND

KIT Limited Partnership

(the "Tenant")

RECITALS:

WHEREAS the Landlord and the Tenant entered into a lease agreement (the "Original Lease") dated as of November 10, 2003 in respect of certain premises described therein, including the Leased Premises (as defined below);

AND WHEREAS the Landlord transferred nine (9) properties leased pursuant to the Original Lease and assigned the Original Lease, to the extent only that the Original Lease related to such properties by an assignment of lease (the "Assignment Agreement") dated as of September 30, 2005;

AND WHEREAS the Landlord and the Tenant wish to amend and restate, without novation, the Original Lease to reflect the fact that, as between the Landlord and the Tenant, the leasing arrangements contemplated thereby now apply, *mutatis mutandis*, in respect of the Leased Premises;

NOW THEREFORE in consideration of the mutual agreements and covenants contained herein and the sum of \$10.00 (the receipt and adequacy of which are hereby acknowledged), the parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.01 In this Lease the following words and terms shall have the following meanings respectively:

- (a) "Building" means the building and the other fixtures and improvements on each of the Lands.
- (b) "GST" means any business transfer tax, value added tax or goods and services tax presently or hereafter imposed from time to time upon the Landlord or the Tenant or in respect of this Lease and payable on account of the rental of each of the Leased Premises or the Landlord's receipt of the rents and other amounts and charges hereunder.
- (c) "Landlord's Insurance" shall have the meaning attributed thereto in section 11.01.
- (d) "Lands" means each of the fifty-three (53) lands and premises as shown on Schedule "A" attached hereto.
- (e) "Lease" means this lease as executed by the Landlord and the Tenant.
- (f) "Leased Premises" means each of the Lands and Buildings.

- (g) "Property Taxes" means all taxes, rates, local improvement rates, impost charges, duties, assessments or levies which may be levied, rated, charged or assessed against each of the Lands and Buildings, whether real or personal, moveable or immovable, by any authority having jurisdiction, whether federal, provincial, municipal, school board, utility commission or other, and includes any taxes or levies which may be imposed on the Landlord or the Tenant or anyone else on account or in lieu thereof, whether or not forming a charge on each property itself, and any other taxes, rates, duties, assessments or levies which may hereafter be levied in lieu of, or of a nature similar to, the foregoing, and whether recurring annually, or at other intervals, or on a special or single instance only, but shall not include the Landlord's income taxes, capital tax, value added taxes, business transfer taxes or other taxes personal to the Landlord.
- (h) "Term" shall have the meaning attributed thereto in section 3.01.
- (i) "Transfer" shall have the meaning attributed thereto in Section 21.01.
- (j) "Transferee" shall have the meaning attributed thereto in Section 21.01.
- (k) "Utilities" means gas, fuel, electricity, light, heat, power, other forms of energy, sewage disposal service, garbage and trash removal, cable T.V. and telephone and other communication services used, rendered or supplied upon or in connection with each of the Leased Premises and "Utility" shall have a corresponding meaning.

ARTICLE 2 - DEMISE

2.01 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 by these presents does demise and lease unto the Tenant for the Term, the Leased Premises.

ARTICLE 3 - TERM

3.01 The term of the Lease (the "Term") shall be for a period of fifteen years, subject to any extension under Section 3.02 hereof commencing at 9:00 a.m. on the 10th day of November, 2003 (the "Commencement Date"), to be fully completed at 11:59 p.m. on the 9th day of November, 2018.

3.02 Provided that the Tenant is not then in default under the terms of this Lease, the Tenant shall have the right, on prior written notice to the Landlord to be given at least six (6) months prior to the expiration of the Term or the first extension of the Term, to extend the Term for two further periods of five (5) years each, such extensions to be on the same terms and conditions of this Lease except that (i) Minimum Rent shall be at then prevailing market rates for each of the premises leased hereunder and (ii) there shall be no further right of extension. In the event that the parties are unable to agree to the Minimum Rent for any extension of the Term within three (3) months after the Tenant providing notice of such extension, then such Minimum Rent shall be determined by arbitration in accordance with the Arbitration Act (Ontario), and such arbitration shall be conducted in Toronto, Ontario. In exercising its extension rights pursuant to this Section 3.02, the Tenant shall have the right to extend the Term in respect of any one or more of the Leased Premises leased hereunder but, in so doing, shall not be obligated to extend the Term in respect of all the Leased Premises leased hereunder. Notwithstanding the foregoing, in the event the Tenant elects not to extend the Term in respect of any one or more of the Leased Premises for the first five year extension term contemplated by this Section 3.02, it shall thereafter be prohibited from exercising an extension of the Term in respect of such particular Leased Premises pursuant to the second five year extension term contemplated by this Section 3.02.

ARTICLE 4 - RENT

4.01 Throughout the Term, the Tenant shall pay to the Landlord in each and every year, an annual minimum rent for each of the Leased Premises (the "Minimum Rent") yearly and every year during the within Term in monthly installments as set out in Schedule "B" attached hereto, with the first payment having been payable on November 10, 2003, and subsequent installments payable on the first day of each month. Rent payable in respect of any broken portion of a calendar month shall be prorated.

ARTICLE 5 - TAXES

5.01 The Tenant covenants with the Landlord to pay to the respective taxing authorities, subject to the provisions of Section 5.02, all Property Taxes as and when due. The Tenant covenants that it will upon the request of the Landlord forward to the Landlord copies of all receipted tax bills. All sums payable by the Tenant under this clause shall be apportioned for any calendar year during which the Tenant is not in possession of the Leased Premises for the full calendar year.

5.02 Notwithstanding anything contained in Section 5.01, the Tenant agrees that if at any time and from time to time the Landlord places a hypothec, mortgage or other financial encumbrance on the Leased Premises and such hypothec, mortgage or encumbrance requires monthly payments to be made with respect to the taxes and other charges required to be made pursuant to the provisions of Section 5.01, then, in such event, all such payments shall be paid by the Tenant to the hypothecary creditor, mortgagee or encumbrancer rather than to the respective taxing authorities as additional rent on the date and in the amounts specified in such deed of hypothec, mortgage or encumbrance.

5.03 In any suit or proceeding affecting this Lease, a bill from the office, bureau, department or agency issuing bills for any of the Property Taxes shall be prima facie evidence of the amount thereof and that the same is or are due and payable.

5.04 In the event that the Tenant shall deem any of the Property Taxes illegal or excessive or otherwise subject to contest, it may, at its election, contest such imposition in the name of the Landlord or in its own name, but at the Tenant's expense; provided that nothing in this paragraph shall be construed to permit the Tenant to postpone its obligation to make the payments required under this Article.

5.05 The Tenant shall pay when due all taxes, rates, duties, assessments and other charges that may be levied, rated, charged or assessed against or in respect of all improvements, equipment, facilities on or in the Leased Premises and every tax and license fee in respect of any business carried on thereon or therein or in respect of the use or occupancy of the Leased Premises.

5.06 The Tenant covenants with the Landlord to pay to the Landlord the GST at the same time as rent is payable under Section 4.01 hereof. The Landlord shall have the same rights and remedies with respect to non-payment of GST as it does with respect to non-payment of rent.

ARTICLE 6 - USE OF PREMISES

6.01 The Leased Premises shall be used by the Tenant for the purpose of conducting therein, to the extent permitted by all applicable requirements of law, a sit down family type restaurant, drive-thru, take out and delivery fast food facility, or any combination thereof, which may or may not be licensed to sell alcoholic beverages, and for no other purpose without the prior written consent of the Landlord, which will not be unreasonably withheld.

6.02 The Tenant shall not commit, cause or permit any nuisance or waste on the Leased Premises or permit the emission of any offensive substance, odor or noise from the Leased Premises.

6.03 The Tenant will not bring upon the Leased Premises or any part thereof, any machinery, equipment, article or thing that by reason of its weight, size, or use might, in the opinion of the Landlord, damage the Leased Premises and will not at any time overload the floors of the Leased Premises, the roof deck, the perimeter walls, ceilings, structural steel elements, overhead doors or the parking lots.

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

ARTICLE 7 - REPAIRS AND MAINTENANCE

7.01 The Tenant shall repair the Leased Premises and, in the event that there is a change of use of the Leased Premises after the Commencement Date, the standard to which the Tenant will be responsible to repair the Leased Premises will be the standard of good condition and repair and consistent with recognized industry standards for comparable operations. Without limiting the generality of the foregoing, the Tenant's obligation to repair extends to matters notwithstanding that such may be repair of a capital or structural nature.

7.02 The Tenant shall provide normal day-to-day maintenance of the Leased Premises and will repair according to notice in writing. The obligations of the Tenant to provide normal day-to-day maintenance shall include, without limitation, snow removal for the Leased Premises, outside maintenance and gardening of the Leased Premises, pest control for the Building, painting and decorating, and maintenance of the parking lot.

ARTICLE 8 - COMPLIANCE WITH LAWS

8.01 The Tenant, at its own expense, shall comply promptly with and conform to the requirements of all applicable statutes, laws, by-laws, regulations, ordinances and order at any time in force during the Term which affect the condition, equipment, maintenance, use or occupation of the Leased Premises, and with every applicable reasonable regulation, order and requirement of the Canadian Fire Underwriters Association or any body having similar functions or of any liability or casualty insurance company by which the Building may be insured by the Landlord or the Tenant at any time during the Term.

8.02 If the Tenant defaults under the provisions of this Article, the Landlord may itself comply with the requirements of this Article and the Tenant shall forthwith pay all costs and expenses incurred by the Landlord in so doing and all such costs and expenses shall be recoverable by the Landlord as additional rent.

ARTICLE 9 - UTILITIES

9.01 The Tenant shall make arrangements, at its own cost and expense, directly with the public service companies and private utilities supplying Utilities during and throughout the Term, and shall indemnify the Landlord against any liability for any charges therefor.

9.02 The Tenant shall pay promptly when due all charges, costs, accounts and any other sums payable by reason of the supply of the Utilities.

9.03 The Tenant, at its own cost and expense, shall procure each and every permit, license or other authorization required during the Term, for lawful and proper installation upon the Building of wire, pipes, conduits, tubes and other equipment and appliances for use in supplying Utilities.

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

ARTICLE 10 - TENANT'S INSURANCE

10.01 The Tenant shall throughout the Term hereof keep in full force and effect at its sole cost and expense in the names of the Tenant, the Landlord and the Landlord's mortgagees as their respective interests may appear,

- (a) all risks (including flood and earthquake) property insurance in an amount of at least one hundred percent (100%) of the full replacement cost, insuring (1) all property owned by the Tenant, or for which the Tenant is legally liable, or installed by or on behalf of the Tenant, and located within the Building including, but not limited to, fittings, installations, alterations, additions, partitions, and all other leasehold improvements, and (2) the Tenant's inventory, furniture and movable equipment;
- (b) the repair and replacement of boilers, pressure vessels, air-conditioning equipment and miscellaneous electrical apparatus on a broad form blanket coverage basis;
- (c) public liability and property damage insurance including personal injury liability, contractual liability, non-owned automobile liability and owners' and contractors' protective insurance coverage with respect to the Leased Premises, coverage to include the activities and operations conducted by the Tenant and any other parties on the Leased Premises and by the Tenant and any other parties performing work on behalf of the Tenant and those for whom the Tenant is in law responsible. Such policies shall (1) be written on a comprehensive basis with inclusive limits of at least Two Million Dollars (\$2,000,000.00) for bodily injury for any one or more persons, or property damage, (but the Landlord, acting reasonably, or the Landlord's mortgagee, may require higher limits from time to time) and (2) contain a severability of interests clause and cross liability clauses;
- (d) Tenant's legal liability insurance for the replacement cost of the Leased Premises;
- (e) any other or additional insurance coverage as the Landlord, or the Landlord's mortgagee reasonably require from time to time, in form, in amounts and for risks against which a prudent tenant would insure.

10.02 So long as the Tenant is KIT Limited Partnership and is not in default of any provisions of this Lease, the Tenant shall be entitled to insure the Leased Premises, and the Tenant's business operations therein, under the Tenant's blanket insurance policy which the Tenant maintains for the group of restaurants operated by the Tenant including the deductible amounts and amounts of coverages as therein contained, provided that this Section 10.02 shall not have any effect upon the obligations of the Tenant to maintain or repair the Leased Premises or to be responsible for any property owned by the Tenant under this lease.

10.03 All the foregoing policies shall be kept in good standing and in full force and effect at all times throughout the Term, shall be reviewed annually by the Tenant to ensure that they are up to date, and shall be in a form and with insurers acceptable to the Landlord. All the foregoing policies shall contain a waiver of any right of subrogation or recourse by the Tenant's insurers against the Landlord or the Landlord's mortgagees, their contractors, agents and employees, and others for whom they may be responsible at law, whether or not any loss is caused by the act, omission or negligence of such persons. The Tenant shall obtain undertakings to the Landlord from its respective insurers that none of the foregoing policies shall be cancelled or allowed to lapse or materially changed, as against the Landlord or its mortgagees until at least thirty days written notice has been given to the Landlord and its mortgagees to that effect. The Tenant shall provide the Landlord with a certificate of such insurance coverages, issued by its insurer, in the insurer's form, as evidence of compliance with its obligations to insure under this Lease, and the Tenant shall, within a reasonable period of time after written request by the Landlord, provide either the original or certified copies of the Tenant's insurance policies to the Landlord.

10.04 If the Tenant fails to take out any of the foregoing insurance, or permits any such insurance to lapse, or fails to put such insurance in good standing promptly after the Landlord or its mortgagees have received notice of an intended cancellation or lapse and have notified the Tenant thereof, the Landlord or its mortgagees may (but shall have no obligation to) place such insurance on the Tenant's behalf and the premiums payable for such insurance shall be payable by the Tenant to the Landlord or its mortgagees forthwith.

ARTICLE 11 - LANDLORD'S INSURANCE

11.01 The Landlord shall throughout the Term hereof keep in full force and effect the following insurance (collectively the "Landlord's Insurance"):

- (a) "all risks" rent and rental value insurance in an amount sufficient to replace all Minimum Rent and additional rent payable under the provisions of this Lease for an indemnity period of one year or such other period as the Landlord may determine;
- (b) such insurance as may be available to it at reasonable cost under a standard extended form of fire insurance policy but excluding foundations and excavations and any property that the Tenant is obliged to insure and with such reasonable deductions and exclusions as would be carried by a prudent owner of a similar building, having regard to the size, age and location of the Building.

11.02 The Tenant covenants with the Landlord to pay to the Landlord as additional rent the costs to the Landlord of the Landlord's Insurance within thirty (30) days following written demand therefor by the Landlord.

11.03 The amount of any bill or account for Landlord's Insurance shall be apportioned between the Landlord and the Tenant where the Tenant is not in possession of the Leased Premises for the whole of the period covered by the amount of such bill or account.

11.04 The Tenant shall not be an insured under the policies with respect to the Landlord's Insurance, nor shall it be deemed to have any insurable interest in the property covered by such policies, or any other right or interest in such policies or their proceeds.

11.05 If the occupancy of the Leased Premises, the conduct of business in the Leased Premises, or any acts or omissions of the Tenant in the Building or any part thereof, causes or results in any increase in premiums for the insurance carried from time to time by the Landlord with respect to the Building, the Tenant shall pay any such increase in premiums, as additional rent, forthwith after invoices for such additional premiums are rendered by the Landlord. In determining whether increased premiums

are caused by or result from the use and occupancy of the Leased Premises, a schedule issued by the organization computing the insurance rate on the Building showing the various components of such rate shall be conclusive evidence of the several items and charges which make up such rate. The Tenant shall comply promptly with all requirements and recommendations of the Insurer's Advisory Organization of Canada (or any successor thereof) or of any insurer now or hereafter in effect, pertaining to or affecting the Leased Premises.

11.06 If any insurance policy upon the Building or any part thereof shall be cancelled or shall be threatened by the insurer to be cancelled, or the coverage thereunder reduced in any way by the insurer by reason of the use and occupation of the Leased Premises or any part thereof by the Tenant or by any assignee or subtenant of the Tenant, or by anyone permitted by the Tenant to be upon the Leased Premises, and if the Tenant fails to remedy the conditions giving rise to the cancellation, threatened cancellation or reduction of coverage within forty-eight (48) hours after notice thereof by the Landlord, the Landlord may (but shall have no obligation to), at its option, either: (a) re-enter and take possession of the Leased Premises forthwith by leaving upon the Leased Premises a notice in writing of its intention so to do and thereupon the Landlord shall have the same rights and remedies as contained in Article 22 hereof; or (b) enter upon the Leased Premises and remedy the conditions giving rise to such cancellation, threatened cancellation or reduction, and the Tenant shall forthwith pay the cost thereof to the Landlord, which cost may be collected by the Landlord as additional rent and the Landlord shall not be liable for any damage or injury caused to any property of the Tenant or of others located on the Leased Premises as a result of such entry. The Tenant agrees that any such entry by the Landlord is not a re-entry or a breach of any covenant for quiet enjoyment contained in this Lease.

ARTICLE 12 - DAMAGE AND DESTRUCTION

12.01 If the Leased Premises or any portion thereof are damaged or destroyed by fire or by other casualty against which the Landlord is insured, rent for such Leased Premises shall abate in proportion to the area of that portion of the Leased Premises which, in the reasonable opinion of the Landlord, is thereby rendered unfit for the purposes of the Tenant until the Leased Premises are repaired and rebuilt, and the Landlord shall repair and rebuild the Leased Premises. The Landlord's obligation to repair and rebuild shall not include the obligation to repair and rebuild any chattel, fixture, leasehold improvement, installation, addition or partition in respect of which the Tenant is required to maintain insurance under Section 10.01 hereof (regardless of the application of Section 10.02 hereof) or any other property of the Tenant. Rent shall recommence to be payable one (1) day after the Landlord notifies the Tenant that the Tenant may occupy the Leased Premises.

12.02 Notwithstanding section 12.01, if the Leased Premises or any portion thereof are damaged or destroyed by any cause whatsoever and cannot, in the reasonable opinion of the Landlord, be rebuilt within 180 days of the damage or destruction, the Landlord instead of rebuilding the Leased Premises may terminate this Lease in respect of such Leased Premises by giving to the Tenant within 30 days after such damage or destruction notice of termination and thereupon rent and other payments hereunder shall be apportioned and paid to the date of such damage or destruction and the Tenant shall immediately deliver up vacant possession of the Leased Premises to the Landlord.

12.03 Notwithstanding sections 12.01 and 12.02, in the event of damage or destruction occurring by reason of any cause in respect of which proceeds of insurance are substantially insufficient to pay for the costs of rebuilding the Building or the Leased Premises, or in the event that any mortgagee is entitled to, and does, require that any insurance proceeds be applied against mortgage debt, the Landlord may terminate this Lease in respect of such Leased Premises on written notice to the Tenant.

ARTICLE 13 - EXPROPRIATION

13.01 If during the Term the whole of any Leased Premises shall be expropriated or such portion of any Leased Premises as renders the remainder unsuitable or impracticable for the purposes intended in this Lease shall be expropriated, upon possession being required all rentals shall be paid up to that date and both the Landlord and the Tenant will have their separate and distinct claims against the expropriating authority in such manner as may be provided in law, and neither shall have a claim against the other for the termination of the Lease or the shortening of the Term of the Lease.

13.02 In the event of any expropriation of part of any Leased Premises that does not render the remainder unsuitable or impracticable for the purposes intended in this Lease there shall be no abatement of rent or other charges under this Lease and both the Landlord and the Tenant will have their separate and distinct claims against the expropriating authority in such manner as may be provided in law, and neither shall have a claim against the other of any type or kind.

ARTICLE 14 - INSPECTION OF PREMISES BY LANDLORD

14.01 The Landlord shall have the right to enter the Leased Premises at all reasonable times on reasonable notice to the Tenant for the purpose of:

- (a) making any repairs to the Leased Premises and performing any work therein that may be necessary by reason of the Tenant's default under the terms of this Lease continuing beyond any applicable grace periods;
- (b) exhibiting the Leased Premises (within three (3) months prior to the expiration of the Term of this Lease or any extension thereof) to prospective tenants and (at any time during the Term) to prospective purchasers and mortgagees; and
- (c) viewing the state of repair of the Leased Premises.

14.02 The Landlord shall have the right to enter the Leased Premises at any time in the event of an emergency.

ARTICLE 15 - LOSS OR DAMAGE, INDEMNITY

15.01 The Landlord, its contractors, agents and employees shall not be liable for any death, injury, or damage to or loss of property, of the Tenant, its employees, agents, or invitees occurring in or about the Leased Premises, unless such death, injury, damage or loss resulted from the negligence of the Landlord, its contractors, agents or employees or other persons for whom it may be responsible. All property of the Tenant within the Leased Premises shall be at the risk of the Tenant only.

15.02 The Tenant shall, during the Term, indemnify and save harmless the Landlord from any and all liabilities, damages, costs, claims, suits or actions incurred by it as a result of or arising out of:

- (a) any breach, violation or non-performance of any covenants, condition or agreement in this Lease set forth and contained, on the part of the Tenant to be fulfilled, kept and observed and performed;
- (b) any damage to property occasioned by the Tenant's use and occupation of the Leased Premises; and
- (c) any injury to person or persons, including death, resulting at any time therefrom occurring in or about the Leased Premises and/or on the sidewalks and laneways or streets adjacent to same, unless the same is caused by the negligence of the Landlord, its servants or agents or others for whom it is in law responsible.

ARTICLE 16 - LANDLORD MAY CURE TENANT'S DEFAULTS

16.01 If the Tenant shall default in the performance of any of the terms, covenants and conditions of this Lease, the Landlord, after fifteen (15) days' notice to the Tenant specifying such default, or without notice if, in the reasonable exercise of the Landlord's judgment, an emergency exists, may but shall not be obligated to perform the same for the account and at the expense of the Tenant and the amount of any payments made or expenses incurred by the Landlord for such purpose, shall become due and payable by the Tenant as additional rent with the next or any subsequent installment of rent which shall become due after such expenditure by the Landlord; but any such expenditure by the Landlord shall not be deemed to waive or relieve the Tenant's default or the right of the Landlord to take such action as may be permissible under the terms of this Lease in the event of such default. When no emergency exists, the provisions of this Article shall be inapplicable if, within fifteen (15) days after such notice by the Landlord, the Tenant shall have cured such default or shall have commenced and is diligently proceeding to cure same.

ARTICLE 17 - LEGAL HYPOTHECS

17.01 If any legal hypothecs or orders for the payment of money shall be filed against the Leased Premises by reason of or arising out of any labour or material furnished to the Tenant or to anyone claiming through the Tenant, the Tenant within thirty (30) days after notice to the Tenant of the filing thereof shall cause the same to be discharged by bonding, deposit, payment, court order or otherwise. The Tenant shall defend all suits to enforce such legal hypothecs, or orders, against the Tenant, at the Tenant's sole expense. The Tenant hereby indemnifies the Landlord against any expense or damage as a result of such legal hypothecs or orders.

ARTICLE 18 - WAIVERS, CUMULATIVE REMEDIES, ETC.

18.01 The specific remedies to which Landlord may resort under the provisions of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which it may be lawfully entitled in case of any breach or threatened breach by the Tenant of any of the terms, covenants and conditions of this Lease. The failure of the Landlord to insist upon the strict performance of any of the terms, covenants and conditions of this Lease, or to exercise any right or remedy herein contained, shall not be construed as a waiver or relinquishment for the future of such terms, covenants and conditions. In addition to the other remedies in this Lease provided, the Landlord shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of any of the terms, covenants and conditions of this Lease or to a decree, in any court having jurisdiction of the matter, compelling performance of any such terms, covenants and conditions.

ARTICLE 19 - INVALIDITY OF PARTICULAR PROVISIONS

19.01 If any term or provision of this Lease or the application thereof to any person or circumstances or Leased Premises shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such terms or provision to persons or circumstances or Leased Premises other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

ARTICLE 20 - ALTERATIONS AND ADDITIONS

20.01 The Tenant shall not make any repairs, alterations, replacements or improvements to the structure, any perimeter or bearing wall or alterations, replacements or improvements to the sprinkler system, or the heating, ventilating, air-conditioning, plumbing, electrical or mechanical equipment of the Leased Premises or Building without obtaining the Landlord's prior written approval, which approval may not be unreasonably or arbitrarily withheld, but may be given on such conditions as the Landlord reasonably imposes. With any such request, the Tenant shall submit to the

Landlord details of the proposed work, including drawings and specifications prepared by qualified architects or engineers, if the Landlord shall so require, and conforming to good construction practice. The Tenant will pay the Landlord's reasonable out-of-pocket expenses for consulting services in connection with the Landlord's consideration of any request for approval under this section. Any such repairs, alterations, replacements or improvements shall comply with all applicable laws, by-laws, regulations, and orders enacted or made by any federal, provincial or municipal authority having jurisdiction, and the Landlord's fire insurance underwriters. The Tenant shall at its own expense obtain all requisite building and other permits.

20.02 The Tenant shall indemnify the Landlord and save it harmless from any costs, expenses, damages or increased insurance premiums which may result from the performance of any work (whether or not the Landlord's approval was required or obtained under section 20.01).

20.03 Provided the Tenant obtains all necessary permits and approvals from all authorities having jurisdiction, and provided the Tenant's signage does not conflict with the Landlord's signage criteria for the Building, the Tenant shall have the right to install and use at the Leased Premises such signage as is used and installed by the Tenant in its other retail locations in the Province in which such Leased Premises are situate, and to use those trademarks, names, logos and other registrable marks as may from time to time be used by the Tenant in its business operations. The Tenant shall also have the right to install and use its standard illuminated menu board within the Leased Premises.

ARTICLE 21 - ASSIGNMENT AND SUBLETTING

21.01 The Tenant shall not assign, sublet, transfer, set over, mortgage, charge, hypothecate, create any security interest in, or part with possession of, all or any part of the Leased Premises or of this Lease (a "Transfer"), without the prior written consent of the Landlord in each instance, which consent may not be unreasonably withheld. With any request for consent, the Tenant shall submit information as to the financial background, financial status, and business history of the party who is to acquire an interest in this Lease or the Leased Premises (the "Transferee") and such other information as the Landlord may reasonably request in connection with such request for consent.

21.02 Any consent by the Landlord under this Article shall not constitute a waiver of the necessity for such consent on any subsequent occasion requiring consent, and shall not relieve the Tenant from any of its obligations to pay rent or perform the covenants contained in this Lease. Notwithstanding any Transfer, the Tenant shall not be relieved of liability by any subsequent amendment of the terms hereof between the Landlord and the assignee or any granting of time, renewals, extensions, indulgences, releases, discharges or other arrangements with the assignee. If this Lease is disclaimed or terminated by any trustee in bankruptcy of any assignee of this Lease, the original tenant named in this Lease shall, if requested by the Landlord within thirty days of such disclaimer or termination, enter into a lease with the Landlord upon the same terms and conditions as contained herein except for the duration of term, which shall expire on the date this Lease would have expired save for such disclaimer or termination. Any assignment or other document effecting a transaction to which the Landlord's consent is required shall be in a form satisfactory to the Landlord. Any assignment or sublease shall at the Landlord's option be on the Landlord's form and shall in any event contain a covenant by the Transferee with the Landlord that it will observe and perform all of the Tenant's obligations contained in this Lease. Any such document shall be reviewed by the Landlord or its solicitors or prepared by them at the expense of the Tenant.

21.03 The Landlord's consent to any Transfer shall be subject to the condition that if the minimum rent, and additional rent to be paid by the Transferee under such Transfer exceeds the Minimum Rent and additional rent payable under this Lease, the amount of any 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 rent and additional rent for such Transfer, either in the form of cash, goods or services (other

than the proceeds of any bona fide financing as the result of a Transfer involving a mortgage, charge or similar security interest in this Lease) the Tenant shall forthwith pay to the Landlord an amount equivalent to such consideration. The Tenant and the Transferee shall execute any agreement required to give effect to the foregoing term.

ARTICLE 22 - DEFAULT AND REMEDIES

22.01 If any of the following shall occur:

- (a) if the Tenant shall fail to pay any rent or other sums due hereunder when due, and if such rent or other sums are not paid within five days after notice is given by the Landlord of such non-payment;
- (b) if the Tenant does not observe, perform and keep each and every of the covenants, provisions, stipulations, conditions, rules and regulations and other terms herein contained to be observed, performed and kept by the Tenant, and, where the breach can be rectified, such non-observance or non-performance shall continue for fifteen days after notice is given by the Landlord requiring that the Tenant rectify the breach, except where rectifying the breach would reasonably require more than fifteen days and the Tenant has commenced rectification in good faith within the fifteen day period and thereafter promptly, diligently and continuously proceeds with rectification of the breach;
- (c) if the Tenant shall abandon the Leased Premises, or make a bulk sale of its goods or sell the business conducted at the Leased Premises, or move, or commence, attempt or threaten to move any of its goods, chattels and equipment out of the Leased Premises (other than in the ordinary course of its business);
- (d) if a writ of execution shall issue against the Tenant, or if the Term hereby granted or any of the goods, chattels or equipment of the Tenant shall be taken in execution or attachment or be seized by any creditor of the Tenant, whether secured or otherwise;
- (e) if the Tenant shall become insolvent or commit an act of bankruptcy or become bankrupt or take the benefit of any Act that may be in force for bankrupt or insolvent debtors, or become involved in voluntary or involuntary winding up proceedings, or if a receiver shall be appointed by the Court or by any creditor for the business, property, affairs or revenues of the Tenant;

then, and in every such case, the Landlord may, in addition to any other rights or remedies it may have under other provisions of this Lease or by law, at its option exercise all or any of the following remedies:

- (i) The Landlord may perform any obligation which the Tenant should have performed or cause the same to be performed and for such purpose may enter upon the Leased Premises and do such things thereon as the Landlord may consider requisite without effecting a termination of this Lease;
- (ii) The Landlord may enter the Leased Premises and distrain upon the goods and chattels of the Tenant, or may remove and sell the goods, chattels and equipment of the Tenant without any notice or form of legal process, any rule of law to the contrary notwithstanding, and the Landlord may seize and sell the goods and chattels and the equipment, whether they are within the Leased Premises or at any place to which the Tenant or any other person may have removed them in the same manner as if they had remained and been distrained upon in the Leased Premises, and the Landlord may follow the goods and chattels for the maximum period

permitted by law, and any sale by the Landlord may, in its sole discretion, be effected by public auction or private contract and either in bulk or by individual items, or partly by one means and partly by the other.

- (iii) The Landlord may remove the goods, chattels, equipment and fixtures of the Tenant from the Leased Premises and store them in a public warehouse or elsewhere at the cost of and for the account of the Tenant.
- (iv) In order to relet, the Landlord may take possession of the Leased Premises as agent of the Tenant and effect such alterations and repairs as it may deem necessary or advisable for the purpose of such reletting, and it may relet the Leased Premises or any part thereof for such term or terms (which may be for a term extending beyond the Term) 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 Landlord's costs and expenses of such reletting and costs of such alterations and repairs; second to the payment of any indebtedness other than rent due from the Tenant to the Landlord; third to the payment of arrears of rent and other sums owing hereunder; fourth to the payment of rent and other sums owing hereunder as such fall due; and the residue, if any, shall be held by the Landlord without interest until the end of the Term and applied from time to time in payment of rent and other sums owing hereunder as the same may become due and payable, and any residue remaining at the end of the Term shall be held for the Tenant. No such reletting, nor the receipt of any such rentals from any new tenant, nor the creation of the relation of landlord and tenant between the Landlord and any party to whom the Leased Premises may have been relet, shall have the effect of exonerating the Tenant from its obligations to pay rent hereunder as it falls due or of in any way terminating this Lease.
- (v) The Landlord may terminate this Lease by commencing an action for possession or for termination of the Lease or by notice to the Tenant. Such termination may be effected either at or after the time of the breach or at any later time and notwithstanding that the Landlord may have exercised any of its other remedies including that set out under subsection (iv) hereof. In the event that the Landlord or anyone claiming under it or to whom it has rented the Leased Premises is in possession under the provisions of subsection (iv) hereof, the Landlord may at any time terminate this Lease by notice to the Tenant and thereafter any then existing or later lease of the Leased Premises shall be for the account of the Landlord notwithstanding that such lease may originally have been entered into as agent for the Tenant. If the Landlord enters the Leased Premises without notice to the Tenant as to whether it is terminating this Lease under subsection (v) or proceeding under subsection (i) or any other provision of this Lease, the Landlord shall be deemed to be proceeding under subsection (i) and the Lease shall not be terminated, nor shall there be any surrender by operation of law, but the Lease shall remain in full force and effect until the Landlord notifies the Tenant that it has elected to terminate this Lease. No entry by the Landlord during the Term shall have the effect of terminating this Lease without notice to that effect to the Tenant.
- (vi) The Landlord shall be entitled to damages from the Tenant for breach of this Lease.
- (vii) At the option of the Landlord, in the case of the events stated in (d) or (e) above occurring, the full amount of the current month's rent and the next ensuing three months' rent shall accelerate and shall immediately become due and payable.

- (viii) On any termination for default, all fixtures, Tenant's improvements or other installations in the Leased Premises, which in law are fixtures or a part of the realty or are attached, affixed to or incorporated into or with the immovable properties situated in or upon the Building or the Leased Premises, and which are not the property of the Landlord, shall at the Landlord's option forthwith become the property of the Landlord, and whether or not such fixtures are in the nature of Tenant's trade fixtures, and whether or not they would be removable by the Tenant at the expiry of the Term if there had been no default.

22.02 Each of the Landlord and the Tenant acknowledge and agree that, in accordance with the intention contemplated by Section 29.01 hereof that the terms of this Lease be interpreted as if they apply to each of the Leased Premises individually, a default under this Lease in respect of any one of the Leased Premises leased hereunder shall not constitute a default in respect of any other of the Leased Premises leased hereunder, and the Landlord's remedies exercisable in the event of any such default shall be exercisable only in respect of the Leased Premises to which such default relates. So long as the Tenant is KIT Limited Partnership and the use of the Leased Premises remains unchanged from the Commencement Date, notwithstanding anything contained in this Lease, the Tenant shall not be obligated to conduct its business operations on the Leased Premises continuously or in a continuous and uninterrupted manner. In the event that the Tenant elects not to operate its business on the Leased Premises, it is acknowledged and agreed that the Tenant shall still be bound by all of the other applicable terms and covenants of this Lease, save and except that there shall be no default under this Lease as a result of the Tenant's cessation of business operations on the Leased Premises.

22.03 Whenever the Landlord takes any proceedings, sends any notices, does any work, or otherwise incurs any expense or trouble or takes any action with respect to any default by the Tenant, and whether or not legal proceedings are begun or considered in consequence of such default, and whether or not this Lease is terminated, the Landlord shall be entitled to be paid by the Tenant forthwith on demand in addition to any other amounts which may be payable or owing hereunder, all of the following:

- (a) the cost of effecting any repairs or performing any obligation of the Tenant, together with an allowance of fifteen per cent (15%) for the Landlord's overhead and supervision;
- (b) the Landlord's costs and expenses in preparing the Leased Premises for reletting in such manner as in its sole discretion it deems necessary or advisable, together with an allowance of fifteen per cent (15%) for the Landlord's overhead and supervision;
- (c) the Landlord's Court costs, collection costs, and legal fees on a substantial indemnity basis and all judicial and extra-judicial fees of advocates and notaries;
- (d) interest on rent or any other amounts overdue under the terms of this Lease and on any monies expended by the Landlord in consequence of any default by the Tenant at the rate of eighteen per cent (18%) per annum;
- (e) a charge of fifty dollars (\$50.00) for each cheque of the Tenant which is returned to the Landlord because of insufficient funds in the Tenant's account;
- (f) any other costs, charges or expenses, which the Landlord incurs or to which it is put, and which would not have been necessary at the time at which they were incurred but for the default of the Tenant.

22.04 Notwithstanding anything contained in the Quebec Civil Code or any statute at the present time or in the future in force, the Tenant hereby agrees with the Landlord

that none of the Tenant's goods or chattels on the Leased Premises at any time during the Term shall be exempt from levy by distress for rent and other costs and charges payable hereunder in arrears, and that the Landlord may follow the Tenant's goods or chattels without limitation of time, and that on any termination of the Lease by the Landlord under the terms hereof, the Tenant shall have no right of redemption or relief from forfeiture, and that the Landlord may enter or take possession of the Leased Premises without judicial order, a writ of possession or any other legal process, and without notice to the Tenant except as provided under this Lease. The Tenant hereby waives all and every benefit that could or might have accrued to the Tenant, but for this section, by virtue of any present or future statute dealing with the matters set out in this section. The Tenant agrees that upon any claim being made for an exemption from levy by distress, or for a right of redemption or relief from forfeiture, or that the Landlord must proceed by judicial process to obtain possession, or with respect to any of the other rights dealt with herein, this section of this Lease may be pleaded as an estoppel against the Tenant in any action brought in which the rights of the Landlord to take the steps set out in this section are in question.

ARTICLE 23 - FINANCING AND ASSIGNMENT BY LANDLORD

23.01 Within ten days after written request therefor by the Landlord, the Tenant shall deliver, in a form supplied by the Landlord, a certificate and acknowledgement to any proposed mortgagee, hypothecary creditor or purchaser, or the Landlord, certifying (if such be the case) that this Lease is in full force and effect (or if there have been amendments, that the Lease is in full force and effect as amended and identifying the amending agreements), the commencement date and Term of the Lease, the dates to which rent and other charges have been paid and whether the Tenant has made any prepayments thereof, whether there is any existing default by the Landlord or the Tenant or any set-offs or claims by the one against the other, whether there is any work remaining to be done by the Landlord within or to the Leased Premises, and such other matters as the Landlord may reasonably request, and shall provide, promptly upon availability and in any event within 120 days after the end of each fiscal year of the Tenant, a copy of its financial statements prepared by a chartered accountant in accordance with GAAP and, the financial statements shall be audited by an independent firm of chartered accountants. The Tenant shall, on the request of the Landlord, acknowledge in writing receipt of any notice of assignment of this Lease by the Landlord.

23.02 This Lease and all the rights of the Tenant hereunder are and shall at all times be subject and subordinate to any and all conventional hypothecs, mortgages, trust deeds, charges, liens or other security instruments or rights granted or placed on the Lands and Building or any part thereof by the Landlord. Upon request of the Landlord from time to time, the Tenant shall within ten days of such request execute such documents or assurances in such form as the Landlord or its lenders may require to subordinate this Lease to such security and all advances made or to be made upon the security thereof, and if requested, attorning to the holder thereof provided that the said lender first enters into a non-disturbance agreement with the Tenant in form and substance satisfactory to the Tenant acting reasonably.

23.03 In the event of a sale or lease by the Landlord of some or all of the Leased Premises, or the assignment by the Landlord of this Lease, as it relates to some or all of the Leased Premises, and to the extent that any purchaser, lessee or assignee of the Landlord has, by an instrument entered into with the Landlord, assumed the covenants and obligations of the Landlord hereunder, the Landlord shall without further written agreement or instrument and without notice to the Tenant be freed and released from liability upon such covenants and obligations.

ARTICLE 24 - LIMITATION OF LIABILITY

24.01 If the Landlord or any assignee of the beneficial rights of the Landlord is ever a real estate investment trust (a "REIT") or other type of trust or fund (a "Fund"), then the Tenant acknowledges and confirms that the obligations of the Landlord hereunder are not and will not be binding on a trustee of the REIT or Fund, any registered or beneficial holder of one or more units of the REIT or Fund ("Unitholder") or any annuitant under a plan of which such a Unitholder acts as trustee or carrier, or any officers, employees or agents of the REIT or Fund and that resort shall not be had to, nor shall recourse or satisfaction be sought from, any of the foregoing or the private property of any of the foregoing and for clarity, the Tenant's recourse, if any, in respect of the obligations of the REIT or Fund shall be limited to the REIT's or Fund's interest in the Leased Premises.

ARTICLE 25 - NOTICE

25.01 Any notice to be given by the provisions of this Lease shall be sufficiently given if served personally or if mailed postage prepaid at any Post Office in Canada in a registered letter:

(a) if to the Landlord, addressed to the Landlord at:

Canada Trust Tower
BCE Place
161 Bay Street, Suite 2300
Toronto, Ontario, M5J 2S1

Attention: Lilly Di Massimo

Facsimile: (416) 361-6018

with a copy to:

Stikeman Elliott LLP
199 Bay Street
5300 Commerce Court West
Toronto, Ontario M5L 1B9

Attention: Dee Rajpal

Telephone: (416) 869-5576

Facsimile: (416) 947-0866

(b) if to the Tenant, addressed to the Tenant at:

101 Exchange Avenue
Vaughan, Ontario L4K 5R6

Attention: Peter Walkey

Telephone: (416) 739-2900

Facsimile: (416) 361-6018

with a copy to:

Prizm Brandz LP
101 Exchange Avenue
Vaughan, Ontario
L4K 5R6

Attention: Legal Department
Telephone: (416) 739-2952
Facsimile: (416) 650-9751

or to such other address as the party concerned shall have notified the other in writing. Any notice so mailed shall be held conclusively to have been given 72 hours after such mailing provided however that if at the time of such mailing a mail strike is in progress which affects the delivery of such notice, such notice shall not be deemed to have been received until it is actually received. Either party may from time to time by notice to the other change the address to which notices are to be given.

ARTICLE 26 - SURRENDER OF PREMISES - OWNERSHIP OF IMPROVEMENTS

26.01 The Tenant, upon expiration of the Term or earlier termination of this Lease, shall peaceably and quietly surrender the Leased Premises and any improvements thereon in accordance with this Article 26 and in good order, repair and condition.

26.02 The Tenant shall on any surrender of possession of the Leased Premises have the right (but not the obligation) to remove such of its trade fixtures, other fixtures, leasehold improvements and equipment which are incorporated into, affixed or attached to and which have become a part of the Lands and Building, including such trade fixtures and leasehold improvements which identify the Leased Premises as any particular outlet, and in effecting such removal, shall do no damage to the Leased Premises or any parts of the Lands and Building. Any leasehold improvements, equipment and fixtures which are not removed by the Tenant shall on surrender of possession by the Tenant become the sole and exclusive property of the Landlord without payment to the Tenant. For greater certainty, the Landlord acknowledges that the Tenant shall not be required to remove the interior partitions, drywall, storefront and bulkhead from the Leased Premises.

26.03 When not in default at the expiration of the Term, or at any time during the term if not in default and in the ordinary course of business, the Tenant may remove the Tenant's trade fixtures, inventory and trade articles provided the Tenant makes good any damage in so doing.

ARTICLE 27 - QUIET ENJOYMENT

27.01 The Landlord covenants with the Tenant that if the Tenant pays the rents hereby reserved and performs its covenants and obligations herein contained, the Tenant may peaceably possess and enjoy the Leased Premises for the Term without interruption or disturbance from the Landlord or any other person lawfully claiming by from or under it.

ARTICLE 28 - CONDITION OF PREMISES

28.01 The Tenant acknowledges and agrees that it is leasing the Leased Premises on an "as is where is" basis and that there are no representations or warranties with respect to the Leased Premises.

ARTICLE 29 - MISCELLANEOUS

29.01 The parties acknowledge and agree that this is a lease of fifty-three (53) separate properties each with their own municipal address, legal description, and rent. Where

applicable, the terms of this Lease shall be interpreted as if they apply to each separate property individually.

29.02 If the Tenant shall remain in occupation of the Leased Premises after the expiry of the Term hereby granted and any renewal thereof hereby granted, with or without the consent of the Landlord and without any further written agreement, the Tenant shall be a monthly tenant at a monthly rental herein reserved and otherwise on the terms and conditions herein set forth, except as to the length of tenancy.

29.03 All waivers made by the Landlord shall be in writing and no waiver by the Landlord of any default made by the Tenant under this Lease shall be construed as a waiver of any other default which has been made or which may thereafter be made by the Tenant unless so specified in writing. No surrender of this Lease by the Tenant shall be valid unless accepted in writing by the Landlord.

29.04 This Lease contains the entire agreement between the parties relating to the Leased Premises and shall not be modified in any manner except by an instrument in writing executed by the parties and this Lease shall supercede and replace any and all prior leases, agreements to lease, negotiations and discussions between the parties with respect to the Leased Premises.

29.05 The captions herein are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease nor in any way affect this Lease.

29.06 The covenants, agreements, terms, provisions and conditions of this Lease shall be binding upon and enure to the benefit of the Landlord and its successors and assigns and to the Tenant and its successors and permitted assigns.

29.07 The Tenant shall not register this Lease in full against the title to the Lands. The Tenant may register the minimum notice or memorial of lease required to give notice of its interest under the applicable registration statute with the written consent of the Landlord, such consent not to be unreasonably withheld.

29.08 Without limiting the generality of anything else herein contained, the parties agree that upon expiration of the Term, or any earlier termination of this Lease, the Tenant's right of possession shall cease and terminate, but the obligations of the parties with respect to any item of rent or covenants not performed at the date of such expiration, any indemnification, or any other obligations which, by their nature are not completely performed prior to such expiration, shall remain in full force and effect until satisfied. It is agreed, however, that in no event shall the Tenant have any interest in or right to possession of the Leased Premises or any part of the Lands or Building after the expiration of the Term or any renewal thereof, or any such earlier termination of this Lease.

29.09 Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or joint venture between the parties hereto, it being understood and agreed that no provision contained herein, nor any acts of the parties hereunder shall be deemed to create any relationship other than the relationship of landlord and tenant.

29.10 Each of the Landlord and Tenant has full authority to enter into this Lease and to perform its obligations hereunder.

29.11 In respect of each Leased Premises leased hereby, except as otherwise specifically provided herein, this Lease will be governed by and construed in accordance with the laws of the Province of Quebec.

29.12 The parties hereto agree that the terms and language of this Lease are the result of negotiations between the parties and, as a result, there will be no presumption that any ambiguity in this Lease will be resolved against any party.

29.13 The parties have specifically requested that this Lease be written in the English language. Les parties aux présentes ont expressément exigé que les présentes soient écrites en langue anglaise.

ARTICLE 30 - NET LEASE

30.01 The parties acknowledge and agree that it is intended that this Lease be a completely net net net and carefree lease to the Landlord, and that except as otherwise specifically provided herein, the Landlord is not responsible during the Term for any costs, charges, expenses or outlays of any nature arising from or relating to the Leased Premises or the ownership use or occupancy thereof, and the Tenant shall pay all such costs charges, expenses and outlays.

30.02 The parties acknowledge that nothing in this Lease has the effect of making the Tenant responsible for the Landlord's debt service costs (principal and interest) or the Landlord's income taxes, capital taxes, business transfer taxes or other taxes personal to the Landlord.

30.03 The parties hereby confirm that the Lease remains in full force and effect and unamended, except as expressly provided herein.

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

COLONEL'S REALTY INC.

By:


Authorized Signing Officer

**KIT LIMITED PARTNERSHIP,
by its general partner KIT INC.**

By:

Authorized Signing Officer

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By:

Authorized Signing Officer

**KIT LIMITED PARTNERSHIP,
by its general partner KIT INC.**

By:



Authorized Signing Officer

SCHEDULE "A"

	Store Number	Municipal Address	City	Province
1.	1101	351 Avenue Regina	Verdun	PQ
2.	1102	8710 Rue Sherbrooke E.	Montreal	PQ
3.	1103	1670 De la Concorde E.	Duvernay	PQ
4.	1104	3199 Boul. Taschereau	Greenfield Park	PQ
5.	1105	3000 BD St. Charles	Kirkland	PQ
6.	1108	1375 St. Jean Baptiste	Pointe Trembles	PQ
7.	1109	990 Rue Montarville	Boucherville	PQ
8.	1110	4310 Rue Papineau	Montreal	PQ
9.	1111	140 Boulevard Ste. Foy	Longueuil	PQ
10.	1112	6240 Rue Beaubien Est	Montreal	PQ
11.	1114	1689 BD Des Laurentides	Vimont	PQ
12.	1117	8575 Boulevard Pie IX	Montreal	PQ
13.	1119	5272 Rue Sherbrooke O.	Montreal	PQ
14.	1121	4980 BD Des Sources	Pierrefonds	PQ
15.	1127	6625 Av. Victoria	Montreal	PQ
16.	1130	6445 Taschereau Blvd.	Brossard	PQ
17.	1152	3309 Chemin Ste. Foy	Ste. Foy	PQ
18.	1154	11025 Boul. L'Ormiere	Neufchatel	PQ
19.	1157	140 Route Pres. Kennedy	Levis	PQ
20.	1174	680 BD Du Seminaire	St-Jean	PQ
21.	1175	650 BD Taschereau	La Prairie	PQ
22.	1176	291 BD Des Laurentides	St-Jerome	PQ
23.	1177	60 BD Cure Labelle	Ste. Therese	PQ
24.	1179	590 Rue Principale	Ste. Agathe	PQ
25.	1180	847 BD Des Seigneurs	Terrebonne	PQ
26.	1181	91 BD Harwood	Dorion	PQ
27.	1182	180 Rue Firset	Sorel-Tracy	PQ
28.	1184	1485 Rue King Ouest	Sherbrooke	PQ
29.	1185	703 Rue Principale	Granby	PQ
30.	1186	50 Rue Merry Nord	Magog	PQ
31.	1187	1533 Rue Sud	Cowansville	PQ
32.	1188	379 Rue Child	Coaticook	PQ
33.	1191	314 Ch. Larocque	Valleyfield	PQ
34.	1192	129 BD Danjou	Chateauguay	PQ
35.	1193	2975 BD Laframboise	St-Hyacinthe	PQ
36.	1196	969 Rue Du Phare O.	Matane	PQ
37.	1198	602 Av. Laure	Sept.-Iles	PQ
38.	1200	3814 BD Harvey	Jonquiere	PQ
39.	1201	466 Ste. Genevieve	Chicoutimi	PQ
40.	1202	50 Rue Collard O.	Alma	PQ
41.	1203	2020 Boulevard Mellon	Jonquiere	PQ
42.	1204	936 BD Ducharme	La Tuque	PQ
43.	1205	230 8E Avenue	Dolbeau	PQ
44.	1206	991 BD Marcotte	Roberval	PQ
45.	1210	164 BD Greber	Pointe Gatineau	PQ
46.	1211	125 Rue Bethany	Lachute	PQ
47.	1212	650 BD Paquette	Mont Laurier	PQ
48.	1213	620 Rue Notre-Dame O.	Victoriaville	PQ
49.	1214	1605 Boulevard St. Joseph	Drummondville	PQ
50.	1215	1080 Boulevard Des Recollets	Trois-Rivieres	PQ
51.	1217	1483 Rue St. Marc	Shawinigan	PQ
52.	1218	31 Boulevard Smith Sud	Thetford Mines	PQ
53.	1219	1550 1E Avenue O.	St. Geo. Beauce	PQ

SCHEDULE "B"

See Attached.

Schedule B to Master Lease Quebec Properties

Store No.	Municipal Address	City	Prov.	Annual Rent		Monthly Installments		Annual Rent		Monthly Installments		Annual Rent		Monthly Installments	
				Years 1 - 5	Minimum Rent	Years 1 - 5	Years 6 - 10	Minimum Rent	Years 6 - 10	Years 11-15	Minimum Rent	Years 11-15	Years 11-15	Minimum Rent	Years 11-15
1	1101 351 AV. REGINA	VERDUN	PQ	42,323.37	3,526.95	44,439.54	3,703.30	46,661.52	3,888.46						
2	1102 8710 RUE SHERBROOKE E.	MONTREAL	PQ	47,872.78	3,989.40	50,266.42	4,188.87	52,779.74	4,398.31						
3	1103 1670 DE LA CONCORDE E.	DUVERNAY	PQ	45,390.18	3,782.52	47,659.69	3,971.84	50,042.68	4,170.22						
4	1104 3199 BOUL. TASCHEREAU	GREENFIELD PARK	PQ	44,117.01	3,676.42	46,322.86	3,860.24	48,639.01	4,053.25						
5	1105 3000 BD ST-CHARLES	KIRKLAND	PQ	58,137.96	4,844.83	61,044.86	5,087.07	64,087.10	5,341.43						
6	1108 1375 ST-JEAN BAPTISTE	POINTE TREMBLES	PQ	42,286.56	3,523.88	44,400.89	3,700.07	46,620.94	3,885.08						
7	1109 990 RUE MONTARVILLE	BOUCHERVILLE	PQ	36,243.29	3,020.27	38,065.45	3,171.29	39,958.22	3,329.85						
8	1110 4310 RUE PAPINEAU	MONTREAL	PQ	41,979.33	3,498.28	44,078.29	3,673.19	46,282.21	3,856.85						
9	1111 140 BD STE-FOY	LONGUEUIL	PQ	41,763.09	3,479.42	43,840.74	3,653.30	46,032.78	3,836.06						
10	1112 6240 RUE BEAUBIEN EST	MONTREAL	PQ	47,496.11	3,958.01	49,870.92	4,155.91	52,364.46	4,363.71						
11	1114 1689 BD DES LAURENTIDES	MONTREAL	PQ	42,061.48	3,505.12	44,164.55	3,680.38	46,372.78	3,864.40						
12	1117 8575 BD PIE IX	MONTREAL	PQ	50,650.61	4,220.88	53,183.14	4,431.93	55,842.30	4,653.53						
13	1119 5272 RUE SHERBROOKE O.	MONTREAL	PQ	59,814.69	4,984.56	62,805.42	5,233.78	65,945.69	5,495.47						
14	1121 4980 BD DES SOURCES	PIERREFONDS	PQ	52,757.14	4,398.43	55,384.99	4,816.25	58,164.74	4,847.06						
15	1127 6625 AV. VICTORIA	MONTREAL	PQ	59,799.14	4,983.26	62,789.09	5,232.42	65,928.55	5,494.05						
16	1130 6445 TASCHEREAU BLVD.	BROSSARD	PQ	55,902.99	4,658.58	58,698.14	4,891.51	61,633.05	5,136.09						
17	1152 3309 CHEMIN STE FOY	STE FOY	PQ	47,419.33	3,951.61	48,790.30	4,149.19	52,279.81	4,366.65						
18	1154 11025 BOUL L'ORMIERE	NEUF-CHATEL	PQ	46,886.58	3,907.21	48,230.89	4,102.57	51,692.43	4,307.70						
19	1157 140 ROUTE PRES.KENNEDY	LEVIS	PQ	59,986.09	4,988.84	62,965.39	5,248.78	66,134.66	5,511.22						
20	1174 680 BD DU SEMINAIRE	ST-JEAN	PQ	64,047.47	5,337.29	67,249.85	5,804.15	70,612.34	5,884.36						
21	1175 660 BD TASCHEREAU	LA PRAIRIE	PQ	43,499.10	3,624.92	45,674.05	3,806.17	47,957.75	3,996.48						
22	1176 291 BD DES LAURENTIDES	ST-JEROME	PQ	97,264.92	8,105.41	102,128.17	8,510.68	107,234.58	8,936.21						
23	1177 60 BD CURE LABELLE	STE THERESE	PQ	70,655.24	5,887.94	74,188.00	6,182.33	77,897.40	6,491.45						
24	1179 590 RUE PRINCIPALE	STE AGATHE	PQ	38,420.13	3,201.68	40,341.14	3,361.76	42,368.19	3,528.85						
25	1180 947 BD DES SEIGNEURS	TERREBONNE	PQ	71,809.58	5,984.13	75,400.06	6,283.34	79,170.08	6,697.51						
26	1181 91 BD HARWOOD	DORION	PQ	56,595.42	4,716.29	59,425.19	4,952.10	62,396.45	5,199.70						
27	1182 180 RUE FISET	SOREL-TRACY	PQ	47,500.93	3,958.41	49,875.97	4,156.33	52,369.77	4,364.15						
28	1184 1465 RUE KING OUEST	SHERBROOKE	PQ	68,074.89	5,506.25	69,378.74	5,781.56	72,847.68	6,070.64						
29	1185 703 RUE PRINCIPALE	GRANBY	PQ	67,673.87	5,639.49	71,057.57	5,921.46	74,610.44	6,217.54						
30	1186 50 RUE MERRY NORD	MAGOG	PQ	44,301.86	3,681.82	46,516.95	3,876.41	48,842.80	4,070.23						
31	1187 1533 RUE SUJ	COWANSVILLE	PQ	53,513.92	4,459.49	56,189.61	4,682.47	58,999.09	4,916.59						
32	1188 379 RUE CHILD	COATICOOK	PQ	40,649.87	3,367.49	42,982.36	3,556.86	44,816.48	3,734.71						
33	1191 314 CH. LAROCQUE	VALLEYFIELD	PQ	38,755.78	3,229.65	40,693.58	3,391.13	42,728.26	3,560.69						
34	1192 129 BD DANJOU	CHATEAUGUAY	PQ	76,054.74	6,337.89	79,857.47	6,654.79	83,850.35	6,987.53						

35	1193	2975 BD LAFRAMBOISE	ST-HYACINTHE	PQ	67,062.71	5,588.56	70,415.84	5,867.99	73,936.63	6,161.39
36	1196	968 RUE DU PHARE O.	MATANE	PQ	38,348.12	3,195.68	40,265.53	3,365.46	42,278.80	3,523.23
37	1198	602 AV. LAURE	SEPT-ILES	PQ	54,672.72	4,572.73	57,616.36	4,801.36	60,497.17	5,041.43
38	1200	3814 BD HARVEY	JONQUIERE	PQ	49,061.01	4,088.42	51,514.06	4,282.84	54,089.76	4,507.48
39	1201	466 STE GENEVIEVE	CHICOUTIMI	PQ	42,947.44	3,578.96	45,094.81	3,757.90	47,349.56	3,945.80
40	1202	50 RUE COLLARD O.	ALMA	PQ	49,531.88	4,127.66	52,008.48	4,334.04	54,608.90	4,550.74
41	1203	2020 BD MELLON	JONQUIERE	PQ	34,290.06	2,857.50	36,004.56	3,000.38	37,804.79	3,150.40
42	1204	938 BD DUCHARME	LA TUQUE	PQ	29,968.72	2,496.39	31,454.56	2,621.21	33,027.28	2,752.27
43	1205	230 8E AVENUE	DOLBEAU	PQ	44,670.12	3,722.51	46,903.63	3,908.64	49,248.81	4,104.07
44	1206	991 BD MARCOTTE	ROBERVAL	PQ	40,167.12	3,347.26	42,175.47	3,514.62	44,284.25	3,690.35
45	1210	164 BD GREBER	POINTE GATINEAU	PQ	86,141.72	7,178.48	90,448.81	7,537.40	94,971.25	7,914.27
46	1211	125 RUE BETHANY	LACHUTE	PQ	44,706.72	3,725.56	46,942.05	3,911.84	49,289.15	4,107.43
47	1212	650 BD PAQUETTE	MONT LAURIER	PQ	48,714.65	4,059.55	51,150.38	4,262.53	53,707.90	4,475.66
48	1213	620 RUE NOTRE-DAME O.	VICTORIAVILLE	PQ	41,665.08	3,472.09	43,748.34	3,645.69	45,935.75	3,827.98
49	1214	1605 BD ST-JOSEPH	DRUMMONDVILLE	PQ	59,365.08	4,947.09	62,333.31	5,194.44	65,449.97	5,454.16
50	1215	1080 BD DES RECOLLETS	TROIS-RIVIERES	PQ	42,090.82	3,507.57	44,195.37	3,682.95	46,406.13	3,867.09
51	1217	1483 RUE ST-MARC	SHAWINIGAN	PQ	29,872.40	2,489.37	31,366.02	2,613.84	32,934.32	2,744.53
52	1218	31 BD SMITH SUD	THETFORD MINES	PQ	64,796.48	5,399.87	68,038.41	5,669.87	71,440.33	5,953.36
53	1219	1550 1E AVENUE O.	ST. GEO. BEAUCE	PQ	81,875.73	6,822.98	85,969.52	7,164.13	90,267.99	7,522.33

SCOTT'S REAL ESTATE LIMITED PARTNERSHIP

as Landlord

and

KIT LIMITED PARTNERSHIP

as Tenant

AMENDED AND RESTATED MASTER LEASE

As of October 6, 2005

ARTICLE 1 - DEFINITIONS	1
ARTICLE 2 - DEMISE.....	2
ARTICLE 3 - TERM.....	2
ARTICLE 4 - RENT.....	3
ARTICLE 5 - TAXES.....	3
ARTICLE 6 - USE OF PREMISES.....	4
ARTICLE 7 - REPAIRS AND MAINTENANCE.....	4
ARTICLE 8 - COMPLIANCE WITH LAWS.....	4
ARTICLE 9 - UTILITIES.....	5
ARTICLE 10 - TENANT'S INSURANCE.....	5
ARTICLE 11 - LANDLORD'S INSURANCE.....	6
ARTICLE 12 - DAMAGE AND DESTRUCTION.....	7
ARTICLE 13 - EXPROPRIATION.....	8
ARTICLE 14 - INSPECTION OF PREMISES BY LANDLORD.....	8
ARTICLE 15 - LOSS OR DAMAGE, INDEMNITY.....	8
ARTICLE 16 - LANDLORD MAY CURE TENANT'S DEFAULTS.....	9
ARTICLE 17 - CONSTRUCTION LIENS.....	9
ARTICLE 18 - WAIVERS, CUMULATIVE REMEDIES, ETC.....	9
ARTICLE 19 - INVALIDITY OF PARTICULAR PROVISIONS.....	10
ARTICLE 20 - ALTERATIONS AND ADDITIONS.....	10
ARTICLE 21 - ASSIGNMENT AND SUBLETTING.....	10
ARTICLE 22 - DEFAULT AND REMEDIES.....	11
ARTICLE 23 - FINANCING AND ASSIGNMENT BY LANDLORD.....	14
ARTICLE 24 - LIMITATION OF LIABILITY.....	15
ARTICLE 25 - NOTICE.....	15
ARTICLE 26 - SURRENDER OF PREMISES - OWNERSHIP OF IMPROVEMENTS.....	16
ARTICLE 27 - QUIET ENJOYMENT.....	17
ARTICLE 28 - CONDITION OF PREMISES.....	17
ARTICLE 29 - MISCELLANEOUS.....	17
ARTICLE 30 - NET LEASE.....	18

THIS AMENDED AND RESTATED LEASE made as of the 6th day of October, 2005,

BETWEEN:

Scott's Real Estate Limited Partnership

(the "Landlord")

AND

KIT Limited Partnership

(the "Tenant")

RECITALS:

WHEREAS Yum! Brands Canada Management LP (the "Original Landlord") and the Tenant entered into a lease agreement (the "Original Lease") dated as of November 10, 2003 in respect of certain premises described therein, including the Leased Premises (as defined below);

AND WHEREAS the Original Lease was assigned, to the extent only that the Original Lease relates to the Leased Premises, by the Original Landlord to the Landlord, by an assignment of lease (the "Assignment Agreement") dated as of October 6, 2005;

AND WHEREAS the Landlord and the Tenant wish to amend and restate, without novation, the Original Lease to reflect the fact that, as between the Landlord and the Tenant, the leasing arrangements contemplated thereby now apply, *mutatis mutandis*, in respect of the Leased Premises;

NOW THEREFORE in consideration of the mutual agreements and covenants contained herein and the sum of \$10.00 (the receipt and adequacy of which are hereby acknowledged), the parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.01 In this Lease the following words and terms shall have the following meanings respectively:

- (a) "Building" means the building and the other fixtures and improvements on each of the Lands.

- (b) "GST" means any business transfer tax, value added tax or goods and services tax presently or hereafter imposed from time to time upon the Landlord or the Tenant or in respect of this Lease and payable on account of the rental of each of the Leased Premises or the Landlord's receipt of the rents and other amounts and charges hereunder.
- (c) "Landlord's Insurance" shall have the meaning attributed thereto in section 11.01.
- (d) "Lands" means each of the fifty-eight (58) lands and premises as shown on Schedule "A" attached hereto.
- (e) "Lease" means this lease as executed by the Landlord and the Tenant.
- (f) "Leased Premises" means each of the Lands and Buildings.
- (g) "Property Taxes" means all taxes, rates, local improvement rates, impost charges, duties, assessments or levies which may be levied, rated, charged or assessed against each of the Lands and Buildings, whether real or personal, moveable or immovable, by any authority having jurisdiction, whether federal, provincial, municipal, school board, utility commission or other, and includes any taxes or levies which may be imposed on the Landlord or the Tenant or anyone else on account or in lieu thereof, whether or not forming a charge on each property itself, and any other taxes, rates, duties, assessments or levies which may hereafter be levied in lieu of, or of a nature similar to, the foregoing, and whether recurring annually, or at other intervals, or on a special or single instance only, but shall not include the Landlord's income taxes, capital tax, value added taxes, business transfer taxes or other taxes personal to the Landlord.
- (h) "Term" shall have the meaning attributed thereto in section 3.01.
- (i) "Transfer" shall have the meaning attributed thereto in Section 21.01.
- (j) "Transferee" shall have the meaning attributed thereto in Section 21.01.
- (k) "Utilities" means gas, fuel, electricity, light, heat, power, other forms of energy, sewage disposal service, garbage and trash removal, cable T.V. and telephone and other communication services used, rendered or supplied upon or in connection with each of the Leased Premises and "Utility" shall have a corresponding meaning.

ARTICLE 2 - DEMISE

2.01 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 by these presents does demise and lease unto the Tenant for the Term, the Leased Premises.

ARTICLE 3 - TERM

3.01 The term of the Lease (the "Term") shall be for a period of fifteen years subject to any extension under Section 3.02 hereof, commencing at 9:00 a.m. on the 10th day of November, 2003 (the "Commencement Date"), to be fully completed at 11:59 p.m. on the 9th day of November, 2018.

3.02 Provided that the Tenant is not then in default under the terms of this Lease, the Tenant shall have the right, on prior written notice to the Landlord to be given at least six (6) months prior to the expiration of the Term or the first extension of the Term, to extend the Term for two further periods of five (5) years each, such extensions to be on the same terms and conditions of this Lease except that (i) Minimum

Rent shall be at then prevailing market rates for each of the premises leased hereunder and (ii) there shall be no further right of extension. In the event that the parties are unable to agree to the Minimum Rent for any extension of the Term within three (3) months after the Tenant providing notice of such extension, then such Minimum Rent shall be determined by arbitration in accordance with the Arbitration Act (Ontario), and such arbitration shall be conducted in Toronto, Ontario. In exercising its extension rights pursuant to this Section 3.02, the Tenant shall have the right to extend the Term in respect of any one or more of the Leased Premises leased hereunder but, in so doing, shall not be obligated to extend the Term in respect of all the Leased Premises leased hereunder. Notwithstanding the foregoing, in the event the Tenant elects not to extend the Term in respect of any one or more of the Leased Premises for the first five year extension term contemplated by this Section 3.02, it shall thereafter be prohibited from exercising an extension of the Term in respect of such particular Leased Premises pursuant to the second five year extension term contemplated by this Section 3.02.

ARTICLE 4 - RENT

4.01 Throughout the Term, the Tenant shall pay to the Landlord in each and every year, an annual minimum rent for each of the Leased Premises (the "Minimum Rent") yearly and every year during the within Term in monthly installments as set out in Schedule "B" attached hereto, with the first payment having been payable on November 10, 2003, and subsequent installments payable on the first day of each month. Rent payable in respect of any broken portion of a calendar month shall be prorated.

ARTICLE 5 - TAXES

5.01 The Tenant covenants with the Landlord to pay to the respective taxing authorities, subject to the provisions of Section 5.02, all Property Taxes as and when due. The Tenant covenants that it will upon the request of the Landlord forward to the Landlord copies of all receipted tax bills. All sums payable by the Tenant under this clause shall be apportioned for any calendar year during which the Tenant is not in possession of the Leased Premises for the full calendar year.

5.02 Notwithstanding anything contained in Section 5.01, the Tenant agrees that if at any time and from time to time the Landlord places a mortgage or other financial encumbrance on the Leased Premises and such mortgage or encumbrance requires monthly payments to be made with respect to the taxes and other charges required to be made pursuant to the provisions of Section 5.01, then, in such event, all such payments shall be paid by the Tenant to the mortgagee or encumbrancer rather than to the respective taxing authorities as additional rent on the date and in the amounts specified in such mortgage or encumbrance.

5.03 In any suit or proceeding affecting this Lease, a bill from the office, bureau, department or agency issuing bills for any of the Property Taxes shall be prima facie evidence of the amount thereof and that the same is or are due and payable.

5.04 In the event that the Tenant shall deem any of the Property Taxes illegal or excessive or otherwise subject to contest, it may, at its election, contest such imposition in the name of the Landlord or in its own name, but at the Tenant's expense; provided that nothing in this paragraph shall be construed to permit the Tenant to postpone its obligation to make the payments required under this Article.

5.05 The Tenant shall pay when due all taxes, rates, duties, assessments and other charges that may be levied, rated, charged or assessed against or in respect of all improvements, equipment, facilities on or in the Leased Premises and every tax and license fee in respect of any business carried on thereon or therein or in respect of the use or occupancy of the Leased Premises.

5.06 The Tenant covenants with the Landlord to pay to the Landlord the GST at the same time as rent is payable under Section 4.01 hereof. The Landlord shall have the same rights and remedies with respect to non-payment of GST as it does with respect to non-payment of rent.

ARTICLE 6 - USE OF PREMISES

6.01 The Leased Premises shall be used by the Tenant for the purpose of conducting therein, to the extent permitted by all applicable requirements of law, a sit down family type restaurant, drive-thru, take out and delivery fast food facility, or any combination thereof, which may or may not be licensed to sell alcoholic beverages, and for no other purpose without the prior written consent of the Landlord, which will not be unreasonably withheld.

6.02 The Tenant shall not commit, cause or permit any nuisance or waste on the Leased Premises or permit the emission of any offensive substance, odor or noise from the Leased Premises.

6.03 The Tenant will not bring upon the Leased Premises or any part thereof, any machinery, equipment, article or thing that by reason of its weight, size, or use might, in the opinion of the Landlord, damage the Leased Premises and will not at any time overload the floors of the Leased Premises, the roof deck, the perimeter walls, ceilings, structural steel elements, overhead doors or the parking lots.

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

ARTICLE 7 - REPAIRS AND MAINTENANCE

7.01 The Tenant shall repair the Leased Premises and, in the event that there is a change of use of the Leased Premises after the Commencement Date, the standard to which the Tenant will be responsible to repair the Leased Premises will be the standard of good condition and repair and consistent with recognized industry standards for comparable operations. Without limiting the generality of the foregoing, the Tenant's obligation to repair extends to matters notwithstanding that such may be repair of a capital or structural nature.

7.02 The Tenant shall provide normal day-to-day maintenance of the Leased Premises and will repair according to notice in writing. The obligations of the Tenant to provide normal day-to-day maintenance shall include, without limitation, snow removal for the Leased Premises, outside maintenance and gardening of the Leased Premises, pest control for the Building, painting and decorating, and maintenance of the parking lot.

ARTICLE 8 - COMPLIANCE WITH LAWS

8.01 The Tenant, at its own expense, shall comply promptly with and conform to the requirements of all applicable statutes, laws, by-laws, regulations, ordinances and order at any time in force during the Term which affect the condition, equipment, maintenance, use or occupation of the Leased Premises, and with every applicable reasonable regulation, order and requirement of the Canadian Fire Underwriters Association or any body having similar functions or of any liability or casualty insurance company by which the Building may be insured by the Landlord or the Tenant at any time during the Term.

8.02 If the Tenant defaults under the provisions of this Article, the Landlord may itself comply with the requirements of this Article and the Tenant shall forthwith pay all costs and expenses incurred by the Landlord in so doing and all such costs and expenses shall be recoverable by the Landlord as additional rent.

ARTICLE 9 - UTILITIES

9.01 The Tenant shall make arrangements, at its own cost and expense, directly with the public service companies and private utilities supplying Utilities during and throughout the Term, and shall indemnify the Landlord against any liability for any charges therefor.

9.02 The Tenant shall pay promptly when due all charges, costs, accounts and any other sums payable by reason of the supply of the Utilities.

9.03 The Tenant, at its own cost and expense, shall procure each and every permit, license or other authorization required during the Term, for lawful and proper installation upon the Building of wire, pipes, conduits, tubes and other equipment and appliances for use in supplying Utilities.

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

ARTICLE 10 - TENANT'S INSURANCE

10.01 The Tenant shall throughout the Term hereof keep in full force and effect at its sole cost and expense in the names of the Tenant, the Landlord and the Landlord's mortgagees as their respective interests may appear,

- (a) all risks (including flood and earthquake) property insurance in an amount of at least one hundred percent (100%) of the full replacement cost, insuring (1) all property owned by the Tenant, or for which the Tenant is legally liable, or installed by or on behalf of the Tenant, and located within the Building including, but not limited to, fittings, installations, alterations, additions, partitions, and all other leasehold improvements, and (2) the Tenant's inventory, furniture and movable equipment;
- (b) the repair and replacement of boilers, pressure vessels, air-conditioning equipment and miscellaneous electrical apparatus on a broad form blanket coverage basis;
- (c) public liability and property damage insurance including personal injury liability, contractual liability, non-owned automobile liability and owners' and contractors' protective insurance coverage with respect to the Leased Premises, coverage to include the activities and operations conducted by the Tenant and any other parties on the Leased Premises and by the Tenant and any other parties performing work on behalf of the Tenant and those for whom the Tenant is in law responsible. Such policies shall (1) be written on a comprehensive basis with inclusive limits of at least Two Million Dollars (\$2,000,000.00) for bodily injury for any one or more persons, or property damage, (but the Landlord, acting reasonably, or the Landlord's mortgagee, may require higher limits from time to time) and (2) contain a severability of interests clause and cross liability clauses;
- (d) Tenant's legal liability insurance for the replacement cost of the Leased Premises;

- (e) any other or additional insurance coverage as the Landlord, or the Landlord's mortgagee reasonably require from time to time, in form, in amounts and for risks against which a prudent tenant would insure.

10.02 So long as the Tenant is KIT Limited Partnership and is not in default of any provisions of this Lease, the Tenant shall be entitled to insure the Leased Premises, and the Tenant's business operations therein, under the Tenant's blanket insurance policy which the Tenant maintains for the group of restaurants operated by the Tenant including the deductible amounts and amounts of coverages as therein contained, provided that this Section 10.02 shall not have any effect upon the obligations of the Tenant to maintain or repair the Leased Premises or to be responsible for any property owned by the Tenant under this lease.

10.03 All the foregoing policies shall be kept in good standing and in full force and effect at all times throughout the Term, shall be reviewed annually by the Tenant to ensure that they are up to date, and shall be in a form and with insurers acceptable to the Landlord. All the foregoing policies shall contain a waiver of any right of subrogation or recourse by the Tenant's insurers against the Landlord or the Landlord's mortgagees, their contractors, agents and employees, and others for whom they may be responsible at law, whether or not any loss is caused by the act, omission or negligence of such persons. The Tenant shall obtain undertakings to the Landlord from its respective insurers that none of the foregoing policies shall be cancelled or allowed to lapse or materially changed, as against the Landlord or its mortgagees until at least thirty days written notice has been given to the Landlord and its mortgagees to that effect. The Tenant shall provide the Landlord with a certificate of such insurance coverages, issued by its insurer, in the insurer's form, as evidence of compliance with its obligations to insure under this Lease, and the Tenant shall, within a reasonable period of time after written request by the Landlord, provide either the original or certified copies of the Tenant's insurance policies to the Landlord.

10.04 If the Tenant fails to take out any of the foregoing insurance, or permits any such insurance to lapse, or fails to put such insurance in good standing promptly after the Landlord or its mortgagees have received notice of an intended cancellation or lapse and have notified the Tenant thereof, the Landlord or its mortgagees may (but shall have no obligation to) place such insurance on the Tenant's behalf and the premiums payable for such insurance shall be payable by the Tenant to the Landlord or its mortgagees forthwith.

ARTICLE 11 - LANDLORD'S INSURANCE

11.01 The Landlord shall throughout the Term hereof keep in full force and effect the following insurance (collectively the "Landlord's Insurance"):

- (a) "all risks" rent and rental value insurance in an amount sufficient to replace all Minimum Rent and additional rent payable under the provisions of this Lease for an indemnity period of one year or such other period as the Landlord may determine;
- (b) such insurance as may be available to it at reasonable cost under a standard extended form of fire insurance policy but excluding foundations and excavations and any property that the Tenant is obliged to insure and with such reasonable deductions and exclusions as would be carried by a prudent owner of a similar building, having regard to the size, age and location of the Building.

11.02 The Tenant covenants with the Landlord to pay to the Landlord as additional rent the costs to the Landlord of the Landlord's Insurance within thirty (30) days following written demand therefor by the Landlord.

11.03 The amount of any bill or account for Landlord's Insurance shall be apportioned between the Landlord and the Tenant where the Tenant is not in

possession of the Leased Premises for the whole of the period covered by the amount of such bill or account.

11.04 The Tenant shall not be an insured under the policies with respect to the Landlord's Insurance, nor shall it be deemed to have any insurable interest in the property covered by such policies, or any other right or interest in such policies or their proceeds.

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

11.06 If any insurance policy upon the Building or any part thereof shall be cancelled or shall be threatened by the insurer to be cancelled, or the coverage thereunder reduced in any way by the insurer by reason of the use and occupation of the Leased Premises or any part thereof by the Tenant or by any assignee or subtenant of the Tenant, or by anyone permitted by the Tenant to be upon the Leased Premises, and if the Tenant fails to remedy the conditions giving rise to the cancellation, threatened cancellation or reduction of coverage within forty-eight (48) hours after notice thereof by the Landlord, the Landlord may (but shall have no obligation to), at its option, either: (a) re-enter and take possession of the Leased Premises forthwith by leaving upon the Leased Premises a notice in writing of its intention so to do and thereupon the Landlord shall have the same rights and remedies as contained in Article 22 hereof; or (b) enter upon the Leased Premises and remedy the conditions giving rise to such cancellation, threatened cancellation or reduction, and the Tenant shall forthwith pay the cost thereof to the Landlord, which cost may be collected by the Landlord as additional rent and the Landlord shall not be liable for any damage or injury caused to any property of the Tenant or of others located on the Leased Premises as a result of such entry. The Tenant agrees that any such entry by the Landlord is not a re-entry or a breach of any covenant for quiet enjoyment contained in this Lease.

ARTICLE 12 - DAMAGE AND DESTRUCTION

12.01 If the Leased Premises or any portion thereof are damaged or destroyed by fire or by other casualty against which the Landlord is insured, rent for such Leased Premises shall abate in proportion to the area of that portion of the Leased Premises which, in the reasonable opinion of the Landlord, is thereby rendered unfit for the purposes of the Tenant until the Leased Premises are repaired and rebuilt, and the Landlord shall repair and rebuild the Leased Premises. The Landlord's obligation to repair and rebuild shall not include the obligation to repair and rebuild any chattel, fixture, leasehold improvement, installation, addition or partition in respect of which the Tenant is required to maintain insurance under Section 10.01 hereof (regardless of the application of Section 10.02 hereof) or any other property of the Tenant. Rent shall recommence to be payable one (1) day after the Landlord notifies the Tenant that the Tenant may occupy the Leased Premises.

12.02 Notwithstanding section 12.01, if the Leased Premises or any portion thereof are damaged or destroyed by any cause whatsoever and cannot, in the reasonable opinion of the Landlord, be rebuilt within 180 days of the damage or

destruction, the Landlord instead of rebuilding the Leased Premises may terminate this Lease in respect of such Leased Premises by giving to the Tenant within 30 days after such damage or destruction notice of termination and thereupon rent and other payments hereunder shall be apportioned and paid to the date of such damage or destruction and the Tenant shall immediately deliver up vacant possession of the Leased Premises to the Landlord.

12.03 Notwithstanding sections 12.01 and 12.02, in the event of damage or destruction occurring by reason of any cause in respect of which proceeds of insurance are substantially insufficient to pay for the costs of rebuilding the Building or the Leased Premises, or in the event that any mortgagee is entitled to, and does, require that any insurance proceeds be applied against mortgage debt, the Landlord may terminate this Lease in respect of such Leased Premises on written notice to the Tenant.

ARTICLE 13 - EXPROPRIATION

13.01 If during the Term the whole of any Leased Premises shall be expropriated or such portion of any Leased Premises as renders the remainder unsuitable or impracticable for the purposes intended in this Lease shall be expropriated, upon possession being required all rentals shall be paid up to that date and both the Landlord and the Tenant will have their separate and distinct claims against the expropriating authority in such manner as may be provided in law, and neither shall have a claim against the other for the termination of the Lease or the shortening of the Term of the Lease.

13.02 In the event of any expropriation of part of any Leased Premises that does not render the remainder unsuitable or impracticable for the purposes intended in this Lease there shall be no abatement of rent or other charges under this Lease and both the Landlord and the Tenant will have their separate and distinct claims against the expropriating authority in such manner as may be provided in law, and neither shall have a claim against the other of any type or kind.

ARTICLE 14 - INSPECTION OF PREMISES BY LANDLORD

14.01 The Landlord shall have the right to enter the Leased Premises at all reasonable times on reasonable notice to the Tenant for the purpose of:

- (a) making any repairs to the Leased Premises and performing any work therein that may be necessary by reason of the Tenant's default under the terms of this Lease continuing beyond any applicable grace periods;
- (b) exhibiting the Leased Premises (within three (3) months prior to the expiration of the Term of this Lease or any extension thereof) to prospective tenants and (at any time during the Term) to prospective purchasers and mortgagees; and
- (c) viewing the state of repair of the Leased Premises.

14.02 The Landlord shall have the right to enter the Leased Premises at any time in the event of an emergency.

ARTICLE 15 - LOSS OR DAMAGE, INDEMNITY

15.01 The Landlord, its contractors, agents and employees shall not be liable for any death, injury, or damage to or loss of property, of the Tenant, its employees, agents, or invitees occurring in or about the Leased Premises, unless such death, injury, damage or loss resulted from the negligence of the Landlord, its contractors, agents or employees or other persons for whom it may be responsible. All property of the Tenant within the Leased Premises shall be at the risk of the Tenant only.

15.02 The Tenant shall, during the Term, indemnify and save harmless the Landlord from any and all liabilities, damages, costs, claims, suits or actions incurred by it as a result of or arising out of:

- (a) any breach, violation or non-performance of any covenants, condition or agreement in this Lease set forth and contained, on the part of the Tenant to be fulfilled, kept and observed and performed;
- (b) any damage to property occasioned by the Tenant's use and occupation of the Leased Premises; and
- (c) any injury to person or persons, including death, resulting at any time therefrom occurring in or about the Leased Premises and/or on the sidewalks and laneways or streets adjacent to same, unless the same is caused by the negligence of the Landlord, its servants or agents or others for whom it is in law responsible.

ARTICLE 16 - LANDLORD MAY CURE TENANT'S DEFAULTS

16.01 If the Tenant shall default in the performance of any of the terms, covenants and conditions of this Lease, the Landlord, after fifteen (15) days' notice to the Tenant specifying such default, or without notice if, in the reasonable exercise of the Landlord's judgment, an emergency exists, may but shall not be obligated to perform the same for the account and at the expense of the Tenant and the amount of any payments made or expenses incurred by the Landlord for such purpose, shall become due and payable by the Tenant as additional rent with the next or any subsequent installment of rent which shall become due after such expenditure by the Landlord; but any such expenditure by the Landlord shall not be deemed to waive or relieve the Tenant's default or the right of the Landlord to take such action as may be permissible under the terms of this Lease in the event of such default. When no emergency exists, the provisions of this Article shall be inapplicable if, within fifteen (15) days after such notice by the Landlord, the Tenant shall have cured such default or shall have commenced and is diligently proceeding to cure same.

ARTICLE 17 - CONSTRUCTION LIENS

17.01 If any construction or other liens or order for the payment of money shall be filed against the Leased Premises by reason of or arising out of any labour or material furnished to the Tenant or to anyone claiming through the Tenant, the Tenant within thirty (30) days after notice to the Tenant of the filing thereof shall cause the same to be discharged by bonding, deposit, payment, court order or otherwise. The Tenant shall defend all suits to enforce such lien, or orders, against the Tenant, at the Tenant's sole expense. The Tenant hereby indemnifies the Landlord against any expense or damage as a result of such liens or orders.

17.02 Notwithstanding anything contained in this Lease, the Landlord and the Tenant agree that the Landlord has not, nor is it intended by any provisions of this Lease, waived the right to receive any notice required to be given the Landlord by any person doing work or supplying materials to the Tenant pursuant to the provisions of the *Construction Lien Act* (Ontario), or equivalent or similar legislation of any other province as may be applicable.

ARTICLE 18 - WAIVERS, CUMULATIVE REMEDIES, ETC.

18.01 The specific remedies to which Landlord may resort under the provisions of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which it may be lawfully entitled in case of any breach or threatened breach by the Tenant of any of the terms, covenants and conditions of this Lease. The failure of the Landlord to insist upon the strict performance of any of the terms, covenants and conditions of this Lease, or to exercise any right or remedy herein contained, shall not be construed as a waiver or relinquishment for the future of such

terms, covenants and conditions. In addition to the other remedies in this Lease provided, the Landlord shall be entitled to the restraint by injunction of the violation or attempted or threatened violation of any of the terms, covenants and conditions of this Lease or to a decree, in any court having jurisdiction of the matter, compelling performance of any such terms, covenants and conditions.

ARTICLE 19 - INVALIDITY OF PARTICULAR PROVISIONS

19.01 If any term or provision of this Lease or the application thereof to any person or circumstances or Leased Premises shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such terms or provision to persons or circumstances or Leased Premises other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

ARTICLE 20 - ALTERATIONS AND ADDITIONS

20.01 The Tenant shall not make any repairs, alterations, replacements or improvements to the structure, any perimeter or bearing wall or alterations, replacements or improvements to the sprinkler system, or the heating, ventilating, air-conditioning, plumbing, electrical or mechanical equipment of the Leased Premises or Building without obtaining the Landlord's prior written approval, which approval may not be unreasonably or arbitrarily withheld, but may be given on such conditions as the Landlord reasonably imposes. With any such request, the Tenant shall submit to the Landlord details of the proposed work, including drawings and specifications prepared by qualified architects or engineers, if the Landlord shall so require, and conforming to good construction practice. The Tenant will pay the Landlord's reasonable out-of-pocket expenses for consulting services in connection with the Landlord's consideration of any request for approval under this section. Any such repairs, alterations, replacements or improvements shall comply with all applicable laws, by-laws, regulations, and orders enacted or made by any federal, provincial or municipal authority having jurisdiction, and the Landlord's fire insurance underwriters. The Tenant shall at its own expense obtain all requisite building and other permits.

20.02 The Tenant shall indemnify the Landlord and save it harmless from any costs, expenses, damages or increased insurance premiums which may result from the performance of any work (whether or not the Landlord's approval was required or obtained under section 20.01).

20.03 Provided the Tenant obtains all necessary permits and approvals from all authorities having jurisdiction, and provided the Tenant's signage does not conflict with the Landlord's signage criteria for the Building, the Tenant shall have the right to install and use at the Leased Premises such signage as is used and installed by the Tenant in its other retail locations in the Province in which such Leased Premises are situate, and to use those trademarks, names, logos and other registrable marks as may from time to time be used by the Tenant in its business operations. The Tenant shall also have the right to install and use its standard illuminated menu board within the Leased Premises.

ARTICLE 21 - ASSIGNMENT AND SUBLETTING

21.01 The Tenant shall not assign, sublet, transfer, set over, mortgage, charge, hypothecate, create any security interest in, or part with possession of, all or any part of the Leased Premises or of this Lease (a "Transfer"), without the prior written consent of the Landlord in each instance, which consent may not be unreasonably withheld. With any request for consent, the Tenant shall submit information as to the financial background, financial status, and business history of the party who is to acquire an interest in this Lease or the Leased Premises (the "Transferee") and such other information as the Landlord may reasonably request in connection with such request for consent.

21.02 Any consent by the Landlord under this Article shall not constitute a waiver of the necessity for such consent on any subsequent occasion requiring consent, and shall not relieve the Tenant from any of its obligations to pay rent or perform the covenants contained in this Lease. Notwithstanding any Transfer, the Tenant shall not be relieved of liability by any subsequent amendment of the terms hereof between the Landlord and the assignee or any granting of time, renewals, extensions, indulgences, releases, discharges or other arrangements with the assignee. If this Lease is disclaimed or terminated by any trustee in bankruptcy of any assignee of this Lease, the original tenant named in this Lease shall, if requested by the Landlord within thirty days of such disclaimer or termination, enter into a lease with the Landlord upon the same terms and conditions as contained herein except for the duration of term, which shall expire on the date this Lease would have expired save for such disclaimer or termination. Any assignment or other document effecting a transaction to which the Landlord's consent is required shall be in a form satisfactory to the Landlord. Any assignment or sublease shall at the Landlord's option be on the Landlord's form and shall in any event contain a covenant by the Transferee with the Landlord that it will observe and perform all of the Tenant's obligations contained in this Lease. Any such document shall be reviewed by the Landlord or its solicitors or prepared by them at the expense of the Tenant.

21.03 The Landlord's consent to any Transfer shall be subject to the condition that if the minimum rent, and additional rent to be paid by the Transferee under such Transfer exceeds the Minimum Rent and additional rent payable under this Lease, the amount of any 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 rent and additional rent for such Transfer, either in the form of cash, goods or services (other than the proceeds of any bona fide financing as the result of a Transfer involving a mortgage, charge or similar security interest in this Lease) the Tenant shall forthwith pay to the Landlord an amount equivalent to such consideration. The Tenant and the Transferee shall execute any agreement required to give effect to the foregoing term.

ARTICLE 22 - DEFAULT AND REMEDIES

22.01 If any of the following shall occur:

- (a) if the Tenant shall fail to pay any rent or other sums due hereunder when due, and if such rent or other sums are not paid within five days after notice is given by the Landlord of such non-payment;
- (b) if the Tenant does not observe, perform and keep each and every of the covenants, provisions, stipulations, conditions, rules and regulations and other terms herein contained to be observed, performed and kept by the Tenant, and, where the breach can be rectified, such non-observance or non-performance shall continue for fifteen days after notice is given by the Landlord requiring that the Tenant rectify the breach, except where rectifying the breach would reasonably require more than fifteen days and the Tenant has commenced rectification in good faith within the fifteen day period and thereafter promptly, diligently and continuously proceeds with rectification of the breach;
- (c) if the Tenant shall abandon the Leased Premises, or make a bulk sale of its goods or sell the business conducted at the Leased Premises, or move, or commence, attempt or threaten to move any of its goods, chattels and equipment out of the Leased Premises (other than in the ordinary course of its business);
- (d) if a writ of execution shall issue against the Tenant, or if the Term hereby granted or any of the goods, chattels or equipment of the Tenant shall be taken in execution or attachment or be seized by any creditor of the Tenant, whether secured or otherwise;

- (e) if the Tenant shall become insolvent or commit an act of bankruptcy or become bankrupt or take the benefit of any Act that may be in force for bankrupt or insolvent debtors, or become involved in voluntary or involuntary winding up proceedings, or if a receiver shall be appointed by the Court or by any creditor for the business, property, affairs or revenues of the Tenant;

then, and in every such case, the Landlord may, in addition to any other rights or remedies it may have under other provisions of this Lease or by law, at its option exercise all or any of the following remedies:

- (i) The Landlord may perform any obligation which the Tenant should have performed or cause the same to be performed and for such purpose may enter upon the Leased Premises and do such things thereon as the Landlord may consider requisite without effecting a termination of this Lease;
- (ii) The Landlord may enter the Leased Premises and distrain upon the goods and chattels of the Tenant, or may remove and sell the goods, chattels and equipment of the Tenant without any notice or form of legal process, any rule of law to the contrary notwithstanding, and the Landlord may seize and sell the goods and chattels and the equipment, whether they are within the Leased Premises or at any place to which the Tenant or any other person may have removed them in the same manner as if they had remained and been distrained upon in the Leased Premises, and the Landlord may follow the goods and chattels for the maximum period permitted by law, and any sale by the Landlord may, in its sole discretion, be effected by public auction or private contract and either in bulk or by individual items, or partly by one means and partly by the other.
- (iii) The Landlord may remove the goods, chattels, equipment and fixtures of the Tenant from the Leased Premises and store them in a public warehouse or elsewhere at the cost of and for the account of the Tenant.
- (iv) In order to relet, the Landlord may take possession of the Leased Premises as agent of the Tenant and effect such alterations and repairs as it may deem necessary or advisable for the purpose of such reletting, and it may relet the Leased Premises or any part thereof for such term or terms (which may be for a term extending beyond the Term) 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 Landlord's costs and expenses of such reletting and costs of such alterations and repairs; second to the payment of any indebtedness other than rent due from the Tenant to the Landlord; third to the payment of arrears of rent and other sums owing hereunder; fourth to the payment of rent and other sums owing hereunder as such fall due; and the residue, if any, shall be held by the Landlord without interest until the end of the Term and applied from time to time in payment of rent and other sums owing hereunder as the same may become due and payable, and any residue remaining at the end of the Term shall be held for the Tenant. No such reletting, nor the receipt of any such rentals from any new tenant, nor the creation of the relation of landlord and tenant between the Landlord and any party to whom the Leased Premises may have been relet, shall have the effect of exonerating the Tenant from its obligations to pay rent hereunder as it falls due or of in any way terminating this Lease.
- (v) The Landlord may terminate this Lease by commencing an action for possession or for termination of the Lease or by notice to the Tenant. Such

termination may be effected either at or after the time of the breach or at any later time and notwithstanding that the Landlord may have exercised any of its other remedies including that set out under subsection (iv) hereof. In the event that the Landlord or anyone claiming under it or to whom it has rented the Leased Premises is in possession under the provisions of subsection (iv) hereof, the Landlord may at any time terminate this Lease by notice to the Tenant and thereafter any then existing or later lease of the Leased Premises shall be for the account of the Landlord notwithstanding that such lease may originally have been entered into as agent for the Tenant. If the Landlord enters the Leased Premises without notice to the Tenant as to whether it is terminating this Lease under subsection (v) or proceeding under subsection (i) or any other provision of this Lease, the Landlord shall be deemed to be proceeding under subsection (i) and the Lease shall not be terminated, nor shall there be any surrender by operation of law, but the Lease shall remain in full force and effect until the Landlord notifies the Tenant that it has elected to terminate this Lease. No entry by the Landlord during the Term shall have the effect of terminating this Lease without notice to that effect to the Tenant.

- (vi) The Landlord shall be entitled to damages from the Tenant for breach of this Lease.
- (vii) At the option of the Landlord, in the case of the events stated in (d) or (e) above occurring, the full amount of the current month's rent and the next ensuing three months' rent shall accelerate and shall immediately become due and payable.
- (viii) On any termination for default, all fixtures, Tenant's improvements or other installations in the Leased Premises, which in law are fixtures or a part of the realty or are attached, affixed to or incorporated into or with the immovable properties situated in or upon the Building or the Leased Premises, and which are not the property of the Landlord, shall at the Landlord's option forthwith become the property of the Landlord, and whether or not such fixtures are in the nature of Tenant's trade fixtures, and whether or not they would be removable by the Tenant at the expiry of the Term if there had been no default.

22.02 Each of the Landlord and the Tenant acknowledge and agree that, in accordance with the intention contemplated by Section 29.01 hereof that the terms of this Lease be interpreted as if they apply to each of the Leased Premises individually, a default under this Lease in respect of any one of the Leased Premises leased hereunder shall not constitute a default in respect of any other of the Leased Premises leased hereunder, and the Landlord's remedies exercisable in the event of any such default shall be exercisable only in respect of the Leased Premises to which such default relates. So long as the Tenant is KIT Limited Partnership and the use of the Leased Premises remains unchanged from the Commencement Date, notwithstanding anything contained in this Lease, the Tenant shall not be obligated to conduct its business operations on the Leased Premises continuously or in a continuous and uninterrupted manner. In the event that the Tenant elects not to operate its business on the Leased Premises, it is acknowledged and agreed that the Tenant shall still be bound by all of the other applicable terms and covenants of this Lease, save and except that there shall be no default under this Lease as a result of the Tenant's cessation of business operations on the Leased Premises.

22.03 Whenever the Landlord takes any proceedings, sends any notices, does any work, or otherwise incurs any expense or trouble or takes any action with respect to any default by the Tenant, and whether or not legal proceedings are begun or

considered in consequence of such default, and whether or not this Lease is terminated, the Landlord shall be entitled to be paid by the Tenant forthwith on demand in addition to any other amounts which may be payable or owing hereunder, all of the following:

- (a) the cost of effecting any repairs or performing any obligation of the Tenant, together with an allowance of fifteen per cent (15%) for the Landlord's overhead and supervision;
- (b) the Landlord's costs and expenses in preparing the Leased Premises for reletting in such manner as in its sole discretion it deems necessary or advisable, together with an allowance of fifteen per cent (15%) for the Landlord's overhead and supervision;
- (c) the Landlord's Court costs, collection costs, and legal fees on a substantial indemnity basis and all judicial and extra-judicial fees of advocates and notaries;
- (d) interest on rent or any other amounts overdue under the terms of this Lease and on any monies expended by the Landlord in consequence of any default by the Tenant at the rate of eighteen per cent (18%) per annum;
- (e) a charge of fifty dollars (\$50.00) for each cheque of the Tenant which is returned to the Landlord because of insufficient funds in the Tenant's account;
- (f) any other costs, charges or expenses, which the Landlord incurs or to which it is put, and which would not have been necessary at the time at which they were incurred but for the default of the Tenant.

22.04 Notwithstanding anything contained in any statute at the present time or in the future in force, the Tenant hereby agrees with the Landlord that none of the Tenant's goods or chattels on the Leased Premises at any time during the Term shall be exempt from levy by distress for rent and other costs and charges payable hereunder in arrears, and that the Landlord may follow the Tenant's goods or chattels without limitation of time, and that on any termination of the Lease by the Landlord under the terms hereof, the Tenant shall have no right of redemption or relief from forfeiture, and that the Landlord may enter or take possession of the Leased Premises without judicial order, a writ of possession or any other legal process, and without notice to the Tenant except as provided under this Lease. The Tenant hereby waives all and every benefit that could or might have accrued to the Tenant, but for this section, by virtue of any present or future statute dealing with the matters set out in this section. The Tenant agrees that upon any claim being made for an exemption from levy by distress, or for a right of redemption or relief from forfeiture, or that the Landlord must proceed by judicial process to obtain possession, or with respect to any of the other rights dealt with herein, this section of this Lease may be pleaded as an estoppel against the Tenant in any action brought in which the rights of the Landlord to take the steps set out in this section are in question.

ARTICLE 23 - FINANCING AND ASSIGNMENT BY LANDLORD

23.01 Within ten days after written request therefor by the Landlord, the Tenant shall deliver, in a form supplied by the Landlord, a certificate and acknowledgement to any proposed mortgagee or purchaser, or the Landlord, certifying (if such be the case) that this Lease is in full force and effect (or if there have been amendments, that the Lease is in full force and effect as amended and identifying the amending agreements), the commencement date and Term of the Lease, the dates to which rent and other charges have been paid and whether the Tenant has made any prepayments thereof, whether there is any existing default by the Landlord or the Tenant or any set-offs or claims by the one against the other, whether there is any work remaining to be done by

the Landlord within or to the Leased Premises, and such other matters as the Landlord may reasonably request, and shall provide, promptly upon availability and in any event within 120 days after the end of each fiscal year of the Tenant, a copy of its financial statements prepared by a chartered accountant in accordance with GAAP and, the financial statements shall be audited by an independent firm of chartered accountants. The Tenant shall, on the request of the Landlord, acknowledge in writing receipt of any notice of assignment of this Lease by the Landlord.

23.02 This Lease and all the rights of the Tenant hereunder are and shall at all times be subject and subordinate to any and all mortgages, trust deeds, charges, liens or other security instruments or rights granted or placed on the Lands and Building or any part thereof by the Landlord. Upon request of the Landlord from time to time, the Tenant shall within ten days of such request execute such documents or assurances in such form as the Landlord or its lenders may require to subordinate this Lease to such security and all advances made or to be made upon the security thereof, and if requested, attorning to the holder thereof provided that the said lender first enters into a non-disturbance agreement with the Tenant in form and substance satisfactory to the Tenant acting reasonably.

23.03 In the event of a sale or lease by the Landlord of some or all of the Leased Premises, or the assignment by the Landlord of this Lease, as it relates to some or all of the Leased Premises, and to the extent that any purchaser, lessee or assignee of the Landlord has, by an instrument entered into with the Landlord, assumed the covenants and obligations of the Landlord hereunder, the Landlord shall without further written agreement or instrument and without notice to the Tenant be freed and released from liability upon such covenants and obligations.

ARTICLE 24 - LIMITATION OF LIABILITY

24.01 If the Landlord or any assignee of the beneficial rights of the Landlord is ever a real estate investment trust (a "REIT") or other type of trust or fund (a "Fund"), then the Tenant acknowledges and confirms that the obligations of the Landlord hereunder are not and will not be binding on a trustee of the REIT or Fund, any registered or beneficial holder of one or more units of the REIT or Fund ("Unitholder") or any annuitant under a plan of which such a Unitholder acts as trustee or carrier, or any officers, employees or agents of the REIT or Fund and that resort shall not be had to, nor shall recourse or satisfaction be sought from, any of the foregoing or the private property of any of the foregoing and for clarity, the Tenant's recourse, if any, in respect of the obligations of the REIT or Fund shall be limited to the REIT's or Fund's interest in the Leased Premises.

ARTICLE 25 - NOTICE

25.01 Any notice to be given by the provisions of this Lease shall be sufficiently given if served personally or if mailed postage prepaid at any Post Office in Canada in a registered letter:

- (a) if to the Landlord, addressed to the Landlord at:

Canada Trust Tower
BCE Place
161 Bay Street, Suite 2300
Toronto, Ontario, M5J 2S1
Attention: Lilly Di Massimo

Facsimile: (416) 361-6018

with a copy to:

Stikeman Elliott LLP
199 Bay Street

5300 Commerce Court West
Toronto, Ontario M5L 1B9
Attention: Dee Rajpal

Telephone: (416) 869-5576
Facsimile: (416) 947-0866

(b) if to the Tenant, addressed to the Tenant at:

101 Exchange Avenue
Vaughan, Ontario L4K 5R6
Attention: Peter Walkey

Telephone: (416) 739-2900
Facsimile: (416) 361-6018

with a copy to:

Priszm Brandz LP
101 Exchange Avenue
Vaughan, Ontario
L4K 5R6
Attention: Legal Department

Telephone: (416) 739-2952
Facsimile: (416) 650-9751

or to such other address as the party concerned shall have notified the other in writing. Any notice so mailed shall be held conclusively to have been given 72 hours after such mailing provided however that if at the time of such mailing a mail strike is in progress which affects the delivery of such notice, such notice shall not be deemed to have been received until it is actually received. Either party may from time to time by notice to the other change the address to which notices are to be given.

ARTICLE 26 - SURRENDER OF PREMISES - OWNERSHIP OF IMPROVEMENTS

26.01 The Tenant, upon expiration of the Term or earlier termination of this Lease, shall peaceably and quietly surrender the Leased Premises and any improvements thereon in accordance with this Article 26 and in good order, repair and condition.

26.02 The Tenant shall on any surrender of possession of the Leased Premises have the right (but not the obligation) to remove such of its trade fixtures, other fixtures, leasehold improvements and equipment which are incorporated into, affixed or attached to and which have become a part of the Lands and Building, including such trade fixtures and leasehold improvements which identify the Leased Premises as any particular outlet, and in effecting such removal, shall do no damage to the Leased Premises or any parts of the Lands and Building. Any leasehold improvements, equipment and fixtures which are not removed by the Tenant shall on surrender of possession by the Tenant become the sole and exclusive property of the Landlord without payment to the Tenant. For greater certainty, the Landlord acknowledges that the Tenant shall not be required to remove the interior partitions, drywall, storefront and bulkhead from the Leased Premises.

26.03 When not in default at the expiration of the Term, or at any time during the term if not in default and in the ordinary course of business, the Tenant may remove the Tenant's trade fixtures, inventory and trade articles provided the Tenant makes good any damage in so doing.

ARTICLE 27 - QUIET ENJOYMENT

27.01 The Landlord covenants with the Tenant that if the Tenant pays the rents hereby reserved and performs its covenants and obligations herein contained, the Tenant may peaceably possess and enjoy the Leased Premises for the Term without interruption or disturbance from the Landlord or any other person lawfully claiming by from or under it.

ARTICLE 28 - CONDITION OF PREMISES

28.01 The Tenant acknowledges and agrees that it is leasing the Leased Premises on an "as is where is" basis and that there are no representations or warranties with respect to the Leased Premises.

ARTICLE 29 - MISCELLANEOUS

29.01 The parties acknowledge and agree that this is a lease of fifty-eight (58) separate properties each with their own municipal address, legal description, and rent. Where applicable, the terms of this Lease shall be interpreted as if they apply to each separate property individually.

29.02 If the Tenant shall remain in occupation of the Leased Premises after the expiry of the Term hereby granted and any renewal thereof hereby granted, with or without the consent of the Landlord and without any further written agreement, the Tenant shall be a monthly tenant at a monthly rental herein reserved and otherwise on the terms and conditions herein set forth, except as to the length of tenancy.

29.03 All waivers made by the Landlord shall be in writing and no waiver by the Landlord of any default made by the Tenant under this Lease shall be construed as a waiver of any other default which has been made or which may thereafter be made by the Tenant unless so specified in writing. No surrender of this Lease by the Tenant shall be valid unless accepted in writing by the Landlord.

29.04 This Lease contains the entire agreement between the parties relating to the Leased Premises and shall not be modified in any manner except by an instrument in writing executed by the parties and this Lease shall supercede and replace any and all prior leases, agreements to lease, negotiations and discussions between the parties with respect to the Leased Premises.

29.05 The captions herein are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease nor in any way affect this Lease.

29.06 This Lease is conditional upon (i) in respect of any Leased Premises situate within Ontario, compliance with the subdivision control provisions of the *Planning Act* (Ontario), and (ii) in respect of any Leased Premises situate in a province other than Ontario, compliance with legislation of such province equivalent to or similar in nature to the subdivision control provisions of the *Planning Act* (Ontario). The Landlord covenants and agrees to apply and proceed diligently at its expense to obtain any consent, necessary for such compliance, and to comply with any conditions to such consents.

29.07 The covenants, agreements, terms, provisions and conditions of this Lease shall be binding upon and enure to the benefit of the Landlord and its successors and assigns and to the Tenant and its successors and permitted assigns.

29.08 The Tenant shall not register this Lease in full against the title to the Lands. The Tenant may register the minimum notice or memorial of lease required to give notice of its interest under the applicable registration statute with the written consent of the Landlord, such consent not to be unreasonably withheld.

29.09 Without limiting the generality of anything else herein contained, the parties agree that upon expiration of the Term, or any earlier termination of this Lease, the Tenant's right of possession shall cease and terminate, but the obligations of the parties with respect to any item of rent or covenants not performed at the date of such expiration, any indemnification, or any other obligations which, by their nature are not completely performed prior to such expiration, shall remain in full force and effect until satisfied. It is agreed, however, that in no event shall the Tenant have any interest in or right to possession of the Leased Premises or any part of the Lands or Building after the expiration of the Term or any renewal thereof, or any such earlier termination of this Lease.

29.10 Nothing contained herein shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or joint venture between the parties hereto, it being understood and agreed that no provision contained herein, nor any acts of the parties hereunder shall be deemed to create any relationship other than the relationship of landlord and tenant.

29.11 Each of the Landlord and Tenant has full authority to enter into this Lease and to perform its obligations hereunder.

29.12 In respect of each Leased Premises leased hereby, except as otherwise specifically provided herein, this Lease will be governed by and construed in accordance with the laws of the Province in which such Leased Premises are located.

29.13 The parties hereto agree that the terms and language of this Lease are the result of negotiations between the parties and, as a result, there will be no presumption that any ambiguity in this Lease will be resolved against any party.

ARTICLE 30 - NET LEASE

30.01 The parties acknowledge and agree that it is intended that this Lease be a completely net net net and carefree lease to the Landlord, and that except as otherwise specifically provided herein, the Landlord is not responsible during the Term for any costs, charges, expenses or outlays of any nature arising from or relating to the Leased Premises or the ownership use or occupancy thereof, and the Tenant shall pay all such costs charges, expenses and outlays.

30.02 The parties acknowledge that nothing in this Lease has the effect of making the Tenant responsible for the Landlord's debt service costs (principal and interest) or the Landlord's income taxes, capital taxes, business transfer taxes or other taxes personal to the Landlord.

30.03 The parties hereby confirm that the Original Lease remains in full force and effect and unamended except as expressly provided herein, without novation of the Original Lease.

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

**SCOTT'S TRUSTEE CORP., in its
capacity as Trustee of SCOTT'S GP
TRUST, in its capacity as general
partner of SCOTT'S REAL ESTATE
LIMITED PARTNERSHIP**

By: 
Authorized Signing Officer

**KIT LIMITED PARTNERSHIP,
by its general partner KIT INC.**

By:

Authorized Signing Officer

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

SCOTT'S TRUSTEE CORP., in its capacity as Trustee of SCOTT'S GP TRUST, in its capacity as general partner of SCOTT'S REAL ESTATE LIMITED PARTNERSHIP

By:

Authorized Signing Officer

**KIT LIMITED PARTNERSHIP,
by its general partner KIT INC.**

By:



Authorized Signing Officer

SCHEDULE "A"

	Store Number	Municipal Address	City	Province
1.	1000	6310 QUINPOOL RD	HALIFAX	NS
2.	1003	18 TITUS ST/MAIN AVENUE	HALIFAX	NS
3.	1004	247 HERRING COVE	HALIFAX	NS
4.	1006	960 COLE HARBOUR RD.	DARTMOUTH	NS
5.	1016	96 WARWICK ST.	DIGBY	NS
6.	1017	279 MAIN ST.	LIVERPOOL	NS
7.	1018	679 SACKVILLE DR.	LOWER SACKVILLE	NS
8.	1019	9097 COMMERCIAL ST.	NEW MINAS	NS
9.	1021	KING ST & O'BRIEN ST.	WINDSOR	NS
10.	1022	2897 HIGHWAY #1	COLDBROOK	NS
11.	1023	REEVES ST & KENNEDY ST	PORT HAWKESBURY	NS
12.	1024	731 CENTRAL AVE.	GREENWOOD	NS
13.	1029	109 KING ST.	NORTH SYDNEY	NS
14.	1049	221 WEST RIVER RD.	PICTOU	NS
15.	1051	9 JAMES ST.	ANTIGONISH	NS
16.	1355	5863 HIGHWAY #7	MARKHAM	ON
17.	1375	301 DUNDAS STREET WEST	WHITBY	ON
18.	1411	41 DUFFERIN STREET	PERTH	ON
19.	1414	145 MADAWASKA BLVD	ARNPRIOR	ON
20.	1415	45 MUNRO STREET	CARLETON PLACE	ON
21.	1425	307 CANNON STREET E.	HAMILTON	ON
22.	1426	716 MAIN STREET E.	HAMILTON	ON
23.	1427	45 PARKDALE AVE. N.	HAMILTON	ON
24.	1428	1222 BARTON STREET E.	HAMILTON	ON
25.	1429	631 KING STREET W.	HAMILTON	ON
26.	1447	1797 HURON CHURCH RD	WINDSOR	ON
27.	1448	1916 WYANDOTTE ST. W.	WINDSOR	ON
28.	1449	1485 ERIE STREET E.	WINDSOR	ON
29.	1506	786 CHEMONG ROAD	PETERBOROUGH	ON
30.	1515	90 MAIN STREET	PICTON	ON
31.	1528	346 ST. CLAIR STREET	CHATHAM	ON
32.	1531	325 TALBOT STREET NORTH	ESSEX	ON
33.	1533	1341 MARTINDALE ROAD	SUDBURY	ON

34.	1535	405 COTE AVENUE	CHELMSFORD	ON
35.	1541	161 TRUNK ROAD	SAULT STE MARIE	ON
36.	1548	60 HARTZELL ROAD	ST. CATHARINES	ON
37.	1552	3567 PORTAGE ROAD	NIAGARA FALLS	ON
38.	1553	311 MAIN STREET	DUNNVILLE	ON
39.	1559	28 DUMFRIES STREET	PARIS	ON
40.	1708	51 KASKA RD.	SHERWOOD PARK	AB
41.	1749	1240 17 AVENUE S.W.	CALGARY	AB
42.	1750	1320 EDMONTON TR. N.E.	CALGARY	AB
43.	1751	905 37 STREET S.W.	CALGARY	AB
44.	1752	5003 CENTRE STREET N.	CALGARY	AB
45.	1753	4315 17 AVENUE S.E.	CALGARY	AB
46.	1755	5335 FALSBRIDGE DR. N.E.	CALGARY	AB
47.	1756	15325 BANNISTER RD. S.E.	CALGARY	AB
48.	1783	244 EDMONTON TRAIL	AIRDRIE	AB
49.	1784	5106 46 STREET	OLDS	AB
50.	1786	435 2 STREET	BROOKS	AB
51.	1787	5716-50 AVENUE, BOX 6134	DRAYTON VALLEY	AB
52.	1806	4605 E. HASTINGS ST.	BURNABY	BC
53.	1814	2190 KINGSWAY	VANCOUVER	BC
54.	1824	795 E. BROADWAY	VANCOUVER	BC
55.	1861	3140 DOUGLAS ST.	VICTORIA	BC
56.	1889	3620 GELLANTLY RD.	WESTBANK	BC
57.	1893	1584 HIGHWAY. 99	SQUAMISH	BC
58.	4625	260 ROBLIN BLVD.	WINKLER	MB

SCHEDULE "B"

See Attached.

Schedule B to Master Lease Non-Quebec Properties

Store No.	Municipal Address	City	Prov.	Years 1 - 5		Years 6 - 10		Years 11 - 15		Monthly Installments
				Annual Minimum Rent	Monthly Installments	Annual Minimum Rent	Monthly Installments	Annual Minimum Rent	Monthly Installments	
1	1000 6310 QUINPOOL RD	HALIFAX	NS	41,926.17	3,493.85	44,022.48	3,668.54	46,223.60	3,851.97	3,851.97
2	1003 18 TITUS ST/MAIN AVENUE	HALIFAX	NS	46,544.97	3,878.75	48,872.22	4,072.68	51,315.83	4,276.32	4,276.32
3	1004 247 HERRING COVE	HALIFAX	NS	35,937.05	2,964.75	37,733.90	3,144.49	39,620.59	3,301.72	3,301.72
4	1006 860 COLE HARBOUR RD.	DARTMOUTH	NS	61,061.92	5,068.49	64,115.01	5,342.92	67,320.76	5,610.06	5,610.06
5	1016 96 WARWICK ST.	DIGBY	NS	30,186.42	2,515.54	31,696.74	2,641.31	33,280.53	2,773.38	2,773.38
6	1017 279 MAIN ST.	LIVERPOOL	NS	20,519.14	1,709.93	21,545.10	1,795.42	22,622.35	1,865.20	1,865.20
7	1018 678 SACKVILLE DR.	LOWER SACKVILLE	NS	79,269.33	6,606.78	83,232.80	6,936.07	87,394.44	7,282.87	7,282.87
8	1019 9097 COMMERCIAL ST.	NEW MINAS	NS	61,037.89	5,086.49	64,089.78	5,340.81	67,294.27	5,607.86	5,607.86
9	1021 KING ST & O'BRIEN ST.	WINDSOR	NS	34,698.29	2,891.52	36,433.21	3,036.10	38,254.87	3,187.91	3,187.91
10	1022 2897 HIGHWAY #1	COLDBROOK	NS	37,661.81	3,138.48	39,544.90	3,296.41	41,522.14	3,460.18	3,460.18
11	1023 REEVES ST & KENNEDY ST	PORT HAWKESBURY	NS	38,242.95	3,188.91	40,155.10	3,346.26	42,162.85	3,513.57	3,513.57
12	1024 731 CENTRAL AVE.	GREENWOOD	NS	37,653.57	3,137.80	39,536.24	3,294.69	41,513.06	3,459.42	3,459.42
13	1029 109 KING ST.	NORTH SYDNEY	NS	35,344.88	2,945.41	37,112.12	3,092.68	38,967.72	3,247.31	3,247.31
14	1049 221 WEST RIVER RD.	PICTOU	NS	24,735.26	2,061.27	25,972.02	2,164.34	27,270.63	2,272.65	2,272.65
15	1051 9 JAMES ST.	ANTIGONISH	NS	56,709.27	4,725.77	59,544.74	4,962.06	62,521.98	5,210.16	5,210.16
16	1365 5863 HIGHWAY #7	MARKHAM	ON	48,024.06	4,002.01	50,425.27	4,202.11	52,946.53	4,412.21	4,412.21
17	1375 301 DUNDAS STREET WEST	WHITBY	ON	40,442.71	3,370.23	42,464.85	3,638.74	44,588.09	3,715.67	3,715.67
18	1411 41 DUFFERIN STREET	PERTH	ON	38,079.96	3,173.33	39,983.96	3,332.00	41,983.16	3,498.60	3,498.60
19	1414 145 MADAWASKA BLVD	ARNPRIOR	ON	30,067.72	2,505.64	31,571.11	2,630.83	33,149.66	2,762.47	2,762.47
20	1415 45 MUNRO STREET	CARLETON PLACE	ON	32,752.58	2,729.38	34,390.21	2,866.85	36,109.72	3,009.14	3,009.14
21	1425 307 CANNON STREET E.	HAMILTON	ON	43,586.00	3,632.17	45,765.30	3,813.77	48,053.56	4,004.46	4,004.46
22	1426 716 MAIN STREET E.	HAMILTON	ON	45,149.50	3,762.46	47,406.98	3,950.58	49,777.32	4,148.11	4,148.11
23	1427 45 PARKDALE AVE. N.	HAMILTON	ON	39,208.65	3,267.39	41,169.08	3,430.76	43,227.54	3,602.29	3,602.29
24	1428 1222 BARTON STREET E.	HAMILTON	ON	46,162.30	3,846.86	48,470.41	4,039.20	50,893.93	4,241.16	4,241.16
25	1429 631 KING STREET W.	HAMILTON	ON	59,619.42	4,968.28	62,600.39	5,216.70	65,730.41	5,477.53	5,477.53
26	1447 1797 HURON CHURCH RD	WINDSOR	ON	46,394.63	3,866.22	48,714.36	4,069.53	51,150.08	4,262.61	4,262.61
27	1448 1916 WYANDOTTE ST. W.	WINDSOR	ON	41,369.43	3,447.45	43,437.91	3,619.83	45,608.80	3,800.82	3,800.82
28	1449 1485 ERIE STREET E.	WINDSOR	ON	49,302.12	4,108.51	51,767.23	4,313.94	54,355.59	4,529.63	4,529.63
29	1506 786 CHEMONG ROAD	PETERBOROUGH	ON	74,375.55	6,197.96	78,094.33	6,507.86	81,999.04	6,833.25	6,833.25
30	1515 90 MAIN STREET	PICTON	ON	40,226.69	3,352.22	42,238.02	3,519.84	44,349.92	3,695.83	3,695.83
31	1528 346 ST. CLAIR STREET	CHATHAM	ON	45,021.43	3,751.79	47,272.50	3,939.37	49,636.12	4,136.34	4,136.34

32	1531	325 TALBOT STREET NORTH	ESSEX	46,003.88	3,833.66	48,304.07	4,025.34	50,719.28	4,226.61
33	1533	1341 MARTINDALE ROAD	SUDBURY	46,095.28	3,841.27	48,400.05	4,033.34	50,820.05	4,235.00
34	1535	405 COTE AVENUE	CHELMSFORD	31,687.24	2,640.60	33,271.60	2,772.63	34,935.18	2,911.27
35	1541	161 TRUNK ROAD	SAULT STE MARIE	41,684.46	3,472.04	43,747.68	3,645.84	46,935.07	3,827.92
36	1548	60 HARTZELL ROAD	ST. CATHARINES	41,106.23	3,425.52	43,181.54	3,596.79	45,319.62	3,776.63
37	1552	3567 PORTAGE ROAD	NIAGARA FALLS	34,847.38	2,887.28	36,378.75	3,031.65	38,198.74	3,183.23
38	1553	311 MAIN STREET	DUNNVILLE	34,656.87	2,888.07	36,389.71	3,032.48	38,209.19	3,184.10
39	1559	28 DUMFRIES STREET	PARIS	31,075.94	2,589.66	32,628.73	2,719.14	34,261.22	2,855.10
40	1706	51 KASKA RD.	SHERWOOD PARK	34,348.34	2,862.36	36,065.76	3,005.48	37,869.04	3,155.75
41	1748	1240 17 AVENUE S.W.	CALGARY	68,110.52	5,875.88	71,516.05	5,959.67	75,091.85	6,257.65
42	1750	1320 EDMONTON TR. N.E.	CALGARY	52,689.70	4,391.84	55,334.68	4,611.22	58,101.42	4,841.78
43	1751	905 37 STREET S.W.	CALGARY	47,688.77	3,974.06	50,073.20	4,172.77	52,576.88	4,381.41
44	1752	5003 CENTRE STREET N.	CALGARY	34,927.72	2,910.84	36,674.10	3,056.18	38,507.81	3,208.98
45	1753	4315 17 AVENUE S.E.	CALGARY	101,073.82	8,422.82	#####	8,843.96	111,433.88	9,286.16
46	1755	5335 FALSBRIDGE DR. N.E.	CALGARY	111,197.50	9,286.46	#####	9,729.78	122,585.24	10,216.27
47	1756	15325 BANNISTER RD. S.E.	CALGARY	76,404.49	6,367.04	80,224.72	6,685.39	84,235.95	7,018.88
48	1783	244 EDMONTON TRAIL	AIRDRIE	49,978.12	4,184.84	52,477.03	4,373.09	55,100.88	4,591.74
49	1784	5106 46 STREET	OLDS	29,804.31	2,483.69	31,294.53	2,607.88	32,859.26	2,738.27
50	1786	4362 STREET	BROOKS	50,501.04	4,208.42	53,026.10	4,418.84	55,677.40	4,639.78
51	1787	5716-50 AVENUE, BOX 6134	DRAYTON VALLEY	40,916.82	3,409.74	42,962.67	3,580.22	45,110.80	3,758.23
52	1806	4605 E. HASTINGS ST.	BURNABY	51,963.46	4,330.29	54,561.64	4,546.80	57,289.72	4,774.14
53	1814	2190 KINGSWAY	VANCOUVER	56,040.19	4,670.02	58,842.20	4,903.52	61,784.31	5,148.69
54	1824	785 E. BROADWAY	VANCOUVER	49,881.28	4,158.77	52,375.35	4,364.61	54,994.11	4,582.84
55	1861	3140 DOUGLAS ST.	VICTORIA	60,740.81	5,061.73	63,777.85	5,314.82	66,968.74	5,580.56
56	1889	3620 GELLANTLY RD.	WESTBANK	46,108.79	3,842.40	48,414.23	4,034.52	50,834.94	4,286.25
57	1893	1584 HIGHWAY, 98	SQUAMISH	44,964.53	3,747.04	47,212.75	3,934.40	49,573.39	4,131.12
58	4625	260 ROBLIN BLVD.	WINKLER	50,000.00	4,166.67	52,500.00	4,375.00	55,125.00	4,593.75