

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

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
SEARS CANADA INC., 9370-2751 QUÉBEC INC., 191020 CANADA INC., THE CUT INC.,
SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., 9845488 CANADA
INC., INITIUM TRADING AND SOURCING CORP., SEARS FLOOR COVERING CENTRES
INC., 173470 CANADA INC., 2497089 ONTARIO INC., 6988741 CANADA INC., 10011711
CANADA INC., 1592580 ONTARIO LIMITED, 955041 ALBERTA LTD., 4201531 CANADA
INC., 168886 CANADA INC., AND 3339611 CANADA INC.

**MOTION RECORD OF THE MONITOR
(Amending Order – Scarborough Town Centre)
(returnable May 28, 2020)**

May 22, 2020

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000,
P.O. Box 53
Toronto, Ontario M5K 1E7

Orestes Pasparakis, LSO#: 36851T

Tel: +1 416.216.4815

Virginie Gauthier, LSO#: 41097D

Tel: +1 416.216.4853

Alan Merskey, LSO#: 41377I

Tel: +1 416.216.4805

Evan Cobb, LSO#: 55787N

Tel: +1 416.216.1929

Fax: +1 416.216.3930

orestes.pasparakis@nortonrosefulbright.com

virginie.gauthier@nortonrosefulbright.com

alan.merskey@nortonrosefulbright.com

evan.cobb@nortonrosefulbright.com

Lawyers to the Monitor, FTI Consulting
Canada Inc.

TO: THE SERVICE LIST

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

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
SEARS CANADA INC., 9370-2751 QUÉBEC INC., 191020 CANADA INC., THE CUT INC.,
SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., 9845488 CANADA
INC., INITIUM TRADING AND SOURCING CORP., SEARS FLOOR COVERING CENTRES
INC., 173470 CANADA INC., 2497089 ONTARIO INC., 6988741 CANADA INC., 10011711
CANADA INC., 1592580 ONTARIO LIMITED, 955041 ALBERTA LTD., 4201531 CANADA
INC., 168886 CANADA INC., AND 3339611 CANADA INC.

**MOTION RECORD OF THE MONITOR
(returnable May 28, 2020)**

TABLE OF CONTENTS

TAB	DESCRIPTION	PAGE NO.
1	Notice of Motion dated May 20, 2020	1 – 5
A.	Schedule "A" – Zoom Conference Details	6
B.	Schedule "B" – Draft Order	7 – 12
2	Affidavit of Catherine Ma, sworn May 20, 2020	13 – 14
A.	Exhibit "A" – Parcel Register – 300 Borough Drive, Scarborough, Ontario (PIN 06000-0287 (LT))	15 – 33
B.	Exhibit "B" – Various Instruments	34
	Instrument No. A461974 registered November 12, 1974;	35 – 154
	Instrument No. A824056 registered December 17, 1979;	155 – 174
	Instrument No. C735864 registered September 26, 1991;	175 – 177
	Instrument No. C735865 registered September 26, 1991	178 – 184
C.	Exhibit "C" – Application To Amend Based On Court Order (Instrument No. AT4783806)	185 – 200

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF SEARS CANADA INC., 9370-2751
QUEBEC INC., 191020 CANADA INC., THE CUT INC., SEARS
CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES
INC., 9845488 CANADA INC., INITIUM TRADING AND
SOURCING CORP., SEARS FLOOR COVERING CENTRES
INC., 173470 CANADA INC., 2497089 ONTARIO INC., 6988741
CANADA INC., 10011711 CANADA INC., 1592580 ONTARIO
LIMITED, 955041 ALBERTA LTD., 4201531 CANADA INC.,
168886 CANADA INC., AND 3339611 CANADA INC.

APPLICANTS

NOTICE OF MOTION
(Amending Order – Scarborough Town Centre)

FTI Consulting Canada Inc., in its capacity as Monitor in these proceedings (the "**Monitor**"), will make a motion before a judge of the Ontario Superior Court of Justice (Commercial List) on Thursday, May 28, 2020, at 12:00 p.m., or as soon after that time as the motion can be heard, by judicial teleconference via Zoom at Toronto, Ontario. Please refer to the conference details attached as Schedule "A" hereto in order to attend the motion and advise if you intend to join the motion by emailing Catherine Ma at catherine.ma@nortonrosefulbright.com.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. An Order substantially in the form attached hereto as Schedule "B", *inter alia*:
 - (a) if necessary, abridging the time for service of this Notice of Motion and the Motion Record and dispensing with service on any person other than those served;

- (b) amending Schedule “B” to the *Approval and Vesting Order – Lease Surrender Agreement, Scarborough Town Centre (Store #1308)* granted in these proceedings on October 4, 2017 (the “**Scarborough Town Centre AVO**”), *nunc pro tunc*; and
 - (c) declaring, *nunc pro tunc*, that the Scarborough Town Centre AVO is deemed to have had no effect on, and not to have expunged, deleted or vacated the Specified Instruments (as defined below) or the interests set out therein, as if the Specified Instruments had not been included on Schedule “B” to the Scarborough Town Centre AVO when granted, and that the Specified Instruments have and at all applicable times have had priority, with respect to each Specified Instrument, to all instruments registered against the Parcel Register (defined below) subsequent to the time to the registration of such Specified Instrument; and
2. Such further and other relief as this Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

- 1. The Applicants were granted protection from their creditors under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the “**CCAA**”) pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated June 22, 2017, as amended and restated;
- 2. FTI Consulting Canada Inc. was appointed to act as Monitor in the CCAA proceeding;

Scarborough Town Centre AVO

- 3. On October 4, 2017, this Court granted the Scarborough Town Centre AVO pursuant to which, among other things, the lease held by Sears Canada Inc. (“**Sears Canada**”) at the Scarborough Town Centre mall was surrendered to Scarborough Town Centre Holdings Inc., as landlord at that property;
- 4. The Scarborough Town Centre AVO was intended to, among other things, expunge, delete or vacate encumbrances and claims related to Sears Canada’s interest in the surrendered lease and the leased premises so that the leased premises would be returned to the landlord free and clear of such claims and encumbrances;

5. Schedule "B" to the Scarborough Town Centre AVO listed the following encumbrances, among others, to be expunged, deleted or vacated:

m. Instrument No. A461974 registered November 12, 1974 being a Notice of Sublease in favour of Simpsons, Limited

n. Instrument No. A824056 registered December 17, 1979 being a Notice of Agreement with Simpson Limited

o. Instrument No. C735864 registered September 26, 1991 being an Application to Change Name-Instrument re Simpsons Limited re Nos. A461974 and A601584

p. Instrument No. C735865 registered September 26, 1991 being an Agreement between Simpsons Limited and Hudson's Bay Company

(collectively, the "**Specified Instruments**").

6. In accordance with the Scarborough Town Centre AVO, the Specified Instruments were deleted from title to the Scarborough Town Centre property;

7. The Monitor has now been advised that the Specified Instruments did not relate to the Sears Canada lease at Scarborough Town Centre and were incorrectly included on Schedule "B" to the Scarborough Town Centre AVO;

8. The Specified Instruments in fact related to a lease that was assigned by Simpsons Limited to Hudson's Bay Company ("**HBC**") on September 26, 1991 by instrument number C735865 described above;

9. The unintentional deletion of the Specified Instruments from title to the Scarborough Town Centre property is prejudicial to HBC's interests as a tenant of the property;

10. The Monitor requests that this Court grant an order rectifying the error in the Scarborough Town Centre AVO so that the Specified Instruments can be reinstated on title to the Scarborough Town Centre property retroactively to the position in which they were previously registered;

11. All parties who registered instruments on title to the Scarborough Town Centre property subsequent to the discharge of the Specified Instruments have received notice of the Monitor's motion;

General

12. The provisions of the CCAA, including section 11 thereof, and the inherent and equitable jurisdiction of this Court;

13. Rules 1.04, 1.05, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure* (Ontario), R.R.O. 1990, Reg. 194, as amended;

14. Section 25 of the *Land Titles Act*, R.S.O. 1990, c. L.5, and

15. Such further and other grounds as counsel may advise and this Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of this motion:

1. The Third Report of the Monitor, dated October 2, 2017;
2. The Affidavit of Catherine Ma, sworn May 21, 2020; and
3. Such further and other evidence as counsel may advise and this Court may permit.

May 22, 2020

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, Ontario M5K 1E7

Orestes Pasparakis, LSO#: 36851T

Tel: +1 416.216.4815

Virginie Gauthier, LSO#: 41097D

Tel: +1 416.216.4853

Alan Merskey, LSO#: 41377I

Tel: +1 416.216.4805

Evan Cobb, LSO#: 55787N

Tel: +1 416.216.1929

orestes.pasparakis@nortonrosefulbright.com

virginie.gauthier@nortonrosefulbright.com

alan.merskey@nortonrosefulbright.com

evan.cobb@nortonrosefulbright.com

Lawyers for FTI Consulting Canada Inc.,
as Court-appointed Monitor

TO: SERVICE LIST

SCHEDULE "A"
ZOOM CONFERENCE DETAILS

Join Zoom Meeting

<https://nortonrosefulbright.zoom.us/j/92570006881?pwd=NVFpSXJKMWWV5WitUbnUzb3V3RmQzdz09>

Meeting ID: 925 7000 6881

Password: 212796

One tap mobile

+17789072071,,92570006881# Canada

+14388097799,,92570006881# Canada

Dial by your location:

+1 778 907 2071 Canada

+1 438 809 7799 Canada

+1 587 328 1099 Canada

+1 647 374 4685 Canada

+1 647 558 0588 Canada

Meeting ID: 925 7000 6881

Find your local number: <https://nortonrosefulbright.zoom.us/u/acD62IMND0>

SCHEDULE "B"

Form of Draft Order

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) THURSDAY, THE 28TH
)
JUSTICE HAINEY) DAY OF MAY, 2020

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF SEARS CANADA INC., 9370-2751
QUEBEC INC., 191020 CANADA INC., THE CUT INC.,
SEARS CONTACT SERVICES INC., INITIUM LOGISTICS
SERVICES INC., 9845488 CANADA INC., INITIUM
TRADING AND SOURCING CORP., SEARS FLOOR
COVERING CENTRES INC., 173470 CANADA INC.,
2497089 ONTARIO INC., 6988741 CANADA INC.,
10011711 CANADA INC., 1592580 ONTARIO LIMITED,
955041 ALBERTA LTD., 4201531 CANADA INC., 168886
CANADA INC., AND 3339611 CANADA INC.

Applicants

**AMENDING ORDER
(Scarborough Town Centre)**

THIS MOTION, made by FTI Consulting Canada Inc., in its capacity as court-appointed Monitor (the "**Monitor**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**"), for an order amending certain provisions of the *Approval and Vesting Order – Lease Surrender Agreement, Scarborough Town Centre (Store #1308)* granted in these proceedings on October 4, 2017 (the "**Scarborough Town Centre AVO**") and other related relief, proceeded by way of **[videoconference]** due to the COVID-19 crisis.

ON READING the Notice of Motion and the Third Report of the Monitor, dated October 2, 2017, and the Affidavit of Catherine Ma, sworn May 21, 2020, filed, and on

hearing the submissions of respective counsel for the Monitor, Hudson's Bay Company ("HBC") and such other counsel as were present, no one else appearing although duly served,

SERVICE AND DEFINITIONS

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

AMENDMENTS TO SCARBOROUGH TOWN CENTRE AVO

2. THIS COURT ORDERS, *nunc pro tunc*, that Schedule "B" to the Scarborough Town Centre AVO is hereby amended and corrected to delete the following items from the column titled "Encumbrances to be Expunged/Deleted/Vacated, as applicable":

- m. Instrument No. A461974 registered November 12, 1974 being a Notice of Sublease in favour of Simpsons, Limited
- n. Instrument No. A824056 registered December 17, 1979 being a Notice of Agreement with Simpson Limited
- o. Instrument No. C735864 registered September 26, 1991 being an Application to Change Name-Instrument re Simpsons Limited re Nos. A461974 and A601584
- p. Instrument No. C735865 registered September 26, 1991 being an Agreement between Simpsons Limited and Hudson's Bay Company

(collectively, the "**Specified Instruments**").

3. THIS COURT ORDERS AND DECLARES, *nunc pro tunc*, that the Scarborough Town Centre AVO is hereby deemed to have had no effect on, and not to have expunged, deleted or vacated the Specified Instruments or the leasehold or other interests of HBC or any other party set out therein, as if the Specified Instruments had not been included on Schedule "B" to the Scarborough Town Centre AVO when granted, and that the Specified Instruments have and at all applicable times have had priority, with respect to each Specified Instrument, to all instruments registered against the parcel register for PIN 06000-0287 (LT) (the "**Parcel**

Register") subsequent in time to the registration of such Specified Instrument as if such Specified Instrument had never been deleted from the Parcel Register.

4. THIS COURT HEREBY REQUESTS the assistance of the Director of Titles for the Province of Ontario to give effect to the terms of this Amending Order and hereby authorizes the reinstatement of all of the Specified Instruments.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AMENDING ORDER
(SCARBOROUGH TOWN CENTRE)**

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, P.O. Box 53
Toronto, Ontario M5K 1E7 CANADA

Orestes Pasparakis, LSO#: 36851T
Tel: +1 416.216.4815

Virginie Gauthier, LSO#: 41097D
Tel: +1 416.216.4853

Alan Merskey, LSO#: 41377I
Tel: +1 416.216.4805

Evan Cobb, LSO#: 55787N
Tel: +1 416.216.1929

Fax: +1 416.216.3930

orestes.pasparakis@nortonrosefulbright.com
virginie.gauthier@nortonrosefulbright.com
alan.merskey@nortonrosefulbright.com
evan.cobb@nortonrosefulbright.com

Lawyers for FTI Consulting Canada Inc., in its capacity
as Monitor

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

Court File No.: CV-17-11846-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS
CANADA INC., et al.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at TORONTO

NOTICE OF MOTION
(Amending Order – Scarborough Town Centre)

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, Ontario M5K 1E7

Orestes Pasparakis, LSO#: 36851T
Tel: +1 416.216.4815

Virginie Gauthier, LSO#: 41097D
Tel: +1 416.216.4853

Alan Merskey, LSO#: 41377I
Tel: +1 416.216.4805

Evan Cobb, LSO#: 55787N
Tel: +1 416.216.1929
Fax: +1 416.216.3930

orestes.pasparakis@nortonrosefulbright.com
virginie.gauthier@nortonrosefulbright.com
alan.merskey@nortonrosefulbright.com
evan.cobb@nortonrosefulbright.com

Lawyers for FTI Consulting Canada Inc.,
as Court-appointed Monitor

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

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
SEARS CANADA INC., 9370-2751 QUÉBEC INC., 191020 CANADA INC., THE
CUT INC., SEARS CONTACT SERVICES INC., INITIUM LOGISTICS
SERVICES INC., 9845488 CANADA INC., INITIUM TRADING AND SOURCING
CORP., SEARS FLOOR COVERING CENTRES INC., 173470 CANADA INC.,
2497089 ONTARIO INC., 6988741 CANADA INC., 10011711 CANADA INC.,
1592580 ONTARIO LIMITED, 955041 ALBERTA LTD., 4201531 CANADA INC.,
168886 CANADA INC., AND 3339611 CANADA INC.

Applicants

AFFIDAVIT OF CATHERINE MA

I, Catherine Ma, of the City of Markham, Province of Ontario, MAKE OATH AND SAY:

1 I am a law clerk with the law firm of Norton Rose Fulbright Canada LLP ("**NRFC**"), lawyers for FTI Consulting Canada Inc., in its capacity as Monitor, and as such, have knowledge of the matters hereinafter deposed to.

2 Attached hereto as **Exhibit "A"** is a copy of the Parcel Register for 300 Borough Drive, Scarborough, Ontario (PIN 06000-0287 (LT)) dated May 14, 2020 (the "**STC Property**").

3 Attached hereto as **Exhibit "B"** are copies of the following instruments that were previously registered on title to the STC Property:

(a) Instrument No. A461974 registered November 12, 1974;

- (b) Instrument No. A824056 registered December 17, 1979;
 - (c) Instrument No. C735864 registered September 26, 1991; and
 - (d) Instrument No. C735865 registered September 26, 1991
- (collectively, the “**Specified Instruments**”).

4 Attached hereto as **Exhibit “C”** is a copy of an Application To Amend Based On Court Order registered as AT4783806 pursuant to which an application was made to have the Specified Instruments deleted and expunged.

SWORN BEFORE ME virtually
by video teleconference
in the City of Toronto,
in the Province of Ontario,
this 21st day of May, 2020.



CATHERINE MA

A Commissioner for taking Affidavits (or as may be)

This is Exhibit "A" referred to in the
Affidavit of Catherine Ma, sworn
before me over video teleconference
this 21st day of May, 2020.



A Commissioner for Taking Affidavits

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION:

BLOCKS M & N PLAN 66M1410...T/W R.O.W. OVER PT LOT 24, CON 2, PT 2 66R1261...S/T EASE. AS IN A71301...T/W R.O.W. OVER BLKS AX, DX, FX, GX, HX, KX, LX, OX, PX, QX, RX, TX, AS IN A322822 AND BLKS EX, JX, SX, UX AS IN A322823 AND A344281 AS AMENDED BY C754001...SUBJECT TO COVENANTS AS IN A365838...S/T EASE AND COVENANT AS IN A387102... S/T RIGHT, EASE AND COVENANT AS IN A652794...S/T EASE, COVENANT & RESTRICTION AS IN C155633 (FOR PARTIAL DELETION OF EASEMENT C155633 SEE C742395)..SCARBOROUGH , CITY OF TORONTO

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
ABSOLUTE

RECENTLY:
DIVISION FROM 06000-0266

PIN CREATION DATE:
1995/12/18

OWNERS' NAMES
OMERS REALTY HOLDINGS (STC ONE) INC.
ARI STC GP INC.

CAPACITY SHARE
TCOM 50%
50%

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1991/02/25 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1995/12/18**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1995/12/18 **</p>						
A71301	1961/05/01	BYLAW				C
REMARKS: 9924						
A322820	1971/07/16	NOTICE				C
A365834	1972/09/08	NOTICE OF LEASE			SCARBOROUGH SHOPPING CENTRE LIMITED	C
A365838	1972/09/08	NOTICE AGREEMENT				C
A384493	1973/03/13	NOTICE OF SUBLEASE			TOWN SHOE STORES COMPANY LIMITED	C
REMARKS: A365834						
A385278	1973/03/23	NOTICE OF SUBLEASE			NATIONAL TRUST COMPANY, LIMITED	C
REMARKS: A365834						
A387102	1973/04/10	TRANSFER EASEMENT			BELL CANADA	C
66R6034	1973/04/10	PLAN REFERENCE				C
A387247	1973/04/11	NOTICE OF SUBLEASE			ELKS STORES LIMITED	C
REMARKS: A365834						
A387557	1973/04/16	NOTICE OF SUBLEASE		*** DELETED AGAINST THIS PROPERTY ***	THE TORONTO-DOMINION BANK	
REMARKS: A365834						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
A389205	1973/05/02	NOTICE OF SUBLEASE <i>REMARKS: A365834</i>			BREWERS' WAREHOUSING COMPANY LIMITED	C
A389693	1973/05/08	NOTICE OF SUBLEASE <i>REMARKS: A365834</i>			DYLEX LIMITED	C
A389694	1973/05/08	NOTICE OF SUBLEASE <i>REMARKS: A365834</i>			DYLEX LIMITED	C
A389695	1973/05/08	NOTICE OF SUBLEASE <i>REMARKS: A365834</i>			DYLEX LIMITED	C
A391577	1973/05/29	NOTICE OF SUBLEASE <i>REMARKS: A365834</i>			REITMAN'S (ONTARIO) LIMITED	C
A393196	1973/06/11	NOTICE OF SUBLEASE <i>REMARKS: A365834</i>			THE BANK OF NOVA SCOTIA	C
A406723	1973/10/03	NOTICE AGREEMENT			STEINBERG'S LIMITED	C
A461974	1974/11/12	NOTICE OF SUBLEASE		*** DELETED AGAINST THIS PROPERTY ***	SIMPSONS, LIMITED	
A463847	1974/11/25	NOTICE OF SUBLEASE		*** DELETED AGAINST THIS PROPERTY ***	THE T. EATON COMPANY LIMITED	
A652794	1977/10/26	TRANSFER EASEMENT			THE CORPORATION OF THE BOROUGH OF SCARBOROUGH	C
66R6947	1977/10/26	PLAN REFERENCE				C
66R6948	1977/10/26	PLAN REFERENCE				C
A824056	1979/12/17	NOTICE AGREEMENT		*** DELETED AGAINST THIS PROPERTY ***	SIMPSONS LIMITED	
66R11923	1980/04/25	PLAN REFERENCE				C
C135966	1984/05/03	NOTICE OF SUBLEASE <i>REMARKS: A365834</i>			SUZY SHIER (CANADA) LIMITED	C
66R13983	1984/05/03	PLAN REFERENCE				C
66R13984	1984/05/03	PLAN REFERENCE				C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
66R13985	1984/05/03	PLAN REFERENCE				C
C155633	1984/08/02	TRANSFER EASEMENT			THE MUNICIPALITY OF METROPOLITAN TORONTO THE CORPORATION OF THE CITY OF SCARBOROUGH	C
66R14167	1984/10/23	PLAN REFERENCE				C
C312267	1986/08/26	NO ASSG LESSEE INT			BRAMALEA LIMITED	C
		REMARKS: A365834; AMENDED UNDER C637343				
C478462	1988/06/21	NOTICE OF LEASE			MARKS & SPENCER CANADA INC.	C
C609879	1989/11/15	NOTICE OF SUBLEASE			THE BELL TELEPHONE COMPANY OF CANADA	C
		REMARKS: A365834				
C637343	1990/03/26	APL (GENERAL)				C
		REMARKS: NAME AMENDED A365834, A800518 & C312267				
C676593	1990/10/23	NOTICE		BRAMALEA LIMITED		C
		REMARKS: A365834; A800518; C312267				
C692828	1991/01/30	NOTICE OF LEASE		SCARBOROUGH SHOPPING CENTRE HOLDINGS LIMITED	MAPPINS INC.	C
		REMARKS: LOADED 1991/03/13 BY SMT				
C735864	1991/09/26	APL CH NAME OWNER		*** DELETED AGAINST THIS PROPERTY *** SIMPSONS LIMITED		
		REMARKS: A461974, A601584.				
C735865	1991/09/26	NOTICE		*** DELETED AGAINST THIS PROPERTY *** SIMPSONS LIMITED	HUDSON'S BAY COMPANY	
		REMARKS: A461974, A824056.				
C739832	1991/10/16	APL CH NAME OWNER		BLACK PHOTO CORPORATION		C
		REMARKS: A388633				
C741945	1991/10/28	NOTICE OF LEASE		BRAMALEA LIMITED	CINEPLEX ODEON CORPORATION	C
		REMARKS: FOR 10 YEARS FROM 81/2/1 ENDING 91/2/1 WITH AN OPTION TO RENEW FOR 5 YEARS. CONSENT OF THE REGISTERED OWNER ATTACHED				
C742395	1991/10/30	APL (GENERAL)		THE MUNICIPALITY OF METROPOLITAN TORONTO		C
		REMARKS: DELETION OF THE TEMPORARY EASEMENT CONTAINED WITHIN THE EASEMENT C155633				
C744082	1991/11/06	NO ASSG LESSEE INT		BRAMALEA LIMITED	OMERS REALTY CORPORATION	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
 REGISTRY
 OFFICE #66

06000-0287 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
C744083	1991/11/06	NOTICE		T. EATON HOLDINGS LIMITED	OMERS REALTY CORPORATION BRAMALEA LIMITED	C
C744091	1991/11/06	NOTICE OF SUBLEASE		BRAMALEA LIMITED OMERS REALTY CORPORATION	SCARBOROUGH TOWN CENTRE HOLDINGS INC.	C
C754001	1992/01/08	APL (GENERAL)		T. EATON HOLDINGS LIMITED		C
C781125	1992/06/17	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	INTERNATIONAL CLOTHIERS INC.	C
C781126	1992/06/17	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	PEOPLES JEWELLERS LIMITED	C
C796412	1992/09/09	APL (GENERAL)		THE T. EATON COMPANY LIMITED/LA COMPAGNIE T. EATON LIMITEE		C
C835477	1993/05/18	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	PENNINGTON'S STORES LIMITED	C
C842301	1993/06/25	NOTICE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	LIPTONS INTERNATIONAL LIMITED	C
C864526	1993/11/10	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	GAP INTERNATIONAL INC.	C
C882141	1994/03/14	NOTICE OF LEASE		SCARBOROUGH TOWN CENTER HOLDINGS INC.	BELL CANADA	C
C896818	1994/06/02	NOTICE OF LEASE		*** DELETED AGAINST THIS PROPERTY *** SCARBOROUGH TOWN CENTRE HOLDINGS INC.	MARKS & SPENCER CANADA INC.	C
C919932	1994/10/26	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	GAP INTERNATIONAL, INC.	C
C946145	1995/05/05	APL CH NAME OWNER		BRAMALEA INC.		C
C946146	1995/05/05	APL COURT ORDER		BRAMALEA INC.	PRICE WATERHOUSE LIMITED, IN ITS CAPACITY AS RECEIVER AND MANAGER	C
C962066	1995/08/21	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	MCDONALD'S RESTAURANTS OF CANADA LIMITED	C
C965925	1995/09/13	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	D'ALLAIRDS STORES INC.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
C980356	1995/12/01	TRANSFER		THE T EATON COMPANY LIMITED/LA COMPAGNIE T. EATON LIMITEE	OMERS REALTY HOLDINGS (STC ONE) INC.	C
		REMARKS: "PLANNING ACT STATEMENTS"				
C980357	1995/12/01	NOTICE		THE T. EATON COMPANY LIMITED/LA COMPAGNIE T. EATON LIMITEE	OMERS REALTY HOLDINGS (STC ONE) INC.	C
		REMARKS: A365834, A800518, C676593, C744083				
C980359	1995/12/01	NOTICE		OWNER	THE T. EATON COMPANY LIMITED OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC TWO) INC. OMERS REALTY CORPORATION	C
		REMARKS: A365838 - THE LAND REGISTRAR IS AUTHORIZED TO DELETE THIS NOTICE UPON THE DELETION OF A365838.				
C982167	1995/12/14	APL COURT ORDER		PRICE WATERHOUSE LIMITED, RECEIVER & MANAGER OF BRAMALEA INC.		C
C982168	1995/12/14	NOTICE		PRICE WATERHOUSE LIMITED, RECEIVER & MANAGER OF BRAMALEA INC.	OMERS REALTY CORPORATION	C
		REMARKS: ASSIGN. OF 50% LEASEHOLD SHARE IN A365834, A800518, C312267, C676593				
C982169	1995/12/14	NOTICE		PRICE WATERHOUSE LIMITED, RECEIVER & MANAGER OF BRAMALEA INC.	OMERS REALTY CORPORATION SCARBOROUGH TOWN CENTRE HOLDINGS INC.	C
		REMARKS: ASSIGNMENT OF SUBLEASE C744091 CORRECTIONS: 'PARTY' CHANGED FROM 'PRICE WATERHOUSE LIMITED, RECEIVER & MANAGER OF BRAMALEA LIMITED' TO 'PRICE WATERHOUSE LIMITED, RECEIVER & MANAGER OF BRAMALEA INC.' ON 1995/12/21 BY KAY MASSAROTTO.				
C982170	1995/12/14	NOTICE		PRICE WATERHOUSE LIMITED, RECEIVER & MANAGER OF BRAMALEA INC.	OMERS REALTY CORPORATION	C
		REMARKS: ASSIGNMENT OF A365838 AND C598897 - THE LAND REGISTRAR IS AUTHORIZED TO DELETE THIS NOTICE UPON THE DELETION OF A365838 FROM BLOCKS M & N M1410 & A365838 & C598897 FROM BLOCK D M1410 S/E PT 2 66R14649				
E90207	1997/06/18	NOTICE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	REITMANS INC.	C
		REMARKS: A365834 AND A800518.				
E145354	1998/01/29	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** 970544 ONTARIO INC.		
E152658	1998/03/04	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** 970544 ONTARIO INC. COB AS ONTARIO MILLWORK & CONSTRUCTION		
		REMARKS: E145354				
E175881	1998/06/23	NOTICE		OMERS REALTY HOLDINGS (STC ONE) INC.	CITY OF TORONTO	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
E198649	1998/09/21	NOTICE		OMERS REALTY HOLDINGS (STS ONE) INC.	CITY OF TORONTO	C
E202813	1998/10/07	NOTICE OF SUBLEASE REMARKS: A365834 & A800518		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	SONY OF CANADA LTD.	C
E208260	1998/11/02	NOTICE OF SUBLEASE REMARKS: A365834, A800518, C312267, C676593, C744082, C744082, C980357, C982168, C744091, C982169		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	INDIGO BOOKS & MUSIC, INC.	C
E208261	1998/11/02	NOTICE REMARKS: I HEREBY AUTHORIZE THE LAND REGISTRAR TO DELETE THE ENTRY OF THIS NOTICE FROM THE SAID PARCEL REGISTERS WITHOUT NOTICE APPLICATION UPON THE DELETION OF THE NOTICE OF INTEREST IN A LEASE REGISTERED AS E208260		OMERS REALTY HOLDINGS (STC ONE) INC.	OMERS REALTY CORPORATION INDIGO BOOKS & MUSIC, INC.	C
E219033	1998/12/18	NOTICE		OMERS REALTY HOLDINGS (STC ONE) INC.	CITY OF TORONTO	C
E242082	1999/04/22	NOTICE OF LEASE REMARKS: OWNER CONSENTS		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	REITMANS (CANADA) LIMITED	C
E242761	1999/04/26	NO ASSG LESSEE INT REMARKS: A365834, C800518, C312267, C676593, C744082, C744083, C983357, C982168. ASSIGNMENT OF TENANTS 31% SHARE IN GROUND LEASE RE:STATEMENT 1331430 ONTARIO INC. 31% AND OMERS REALTY CORPORATION 69% SHARE AS LESSEES	\$109,836,720	OWNER	1331430 ONTARIO INC. OMERS REALTY CORPORATION	C
E242762	1999/04/26	TRANSFER REMARKS: 31% SHARE	\$6,851,000	OWNERS	1331430 ONTARIO INC.	C
E242763	1999/04/26	NO ASSG LESSEE INT REMARKS: A365834, A800518, C312267, C676593, C744082, C744083, C980357, C982168, ASSIGNMENT AND ASSUMPTION OF LANDLORD'S 31% SHARE IN GROUND LEASE CORRECTIONS: 'PARTY' CHANGED FROM '1331430 ONTARIO INC. (31%)' TO '1331430 ONTARIO INC.' ON 2002/08/29 BY ALMA GILDEA - LRO #20. 'PARTY' CHANGED FROM 'OMERS REALTY CORPORATION (69%)' TO 'OMERS REALTY CORPORATION' ON 2002/08/29 BY ALMA GILDEA - LRO #20. 'PARTY: LESSEES' DELETED ON 2002/08/29 BY ALMA GILDEA - LRO #20.		OMERS REALTY HOLDINGS (STC ONE) INC.	1331430 ONTARIO INC. OMERS REALTY CORPORATION	C
E242764	1999/04/26	NO ASSG LESSEE INT REMARKS: C744091, C982169. ASSIGNMENT AND ASSUMPTION 31% INTEREST IN FAVOUR OF 1331430 ONTARIO INC. RE:STATEMENT; OMERS REALTY CORPORATION 69% AND 1331430 ONTARIO INC 31% AS LESSOR		OMERS REALTY CORPORATION 1331430 ONTARIO	SCARBOROUGH TOWN CENTRE HOLDINGS INC. (LESSEE)	C
E242765	1999/04/26	CHARGE REMARKS: ITS 69% SHARE		*** COMPLETELY DELETED *** OWNERS	1331430 ONTARIO INC.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
E242766	1999/04/26	NOTICE		*** COMPLETELY DELETED *** OMERS REALTY CORPORATION	1331430 ONTARIO INC.	
		REMARKS: CHARGE OF LEASE, A365834, A800518, C312267, C767593, C744082, C744083, C980357, C982168, E242761. ITS 69% SHARE				
E242767	1999/04/26	CHARGE		*** COMPLETELY DELETED *** 1331430 ONTARIO INC.	OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC TWO) INC. OMERS REALTY HOLDINGS (STC THREE) INC.	
		REMARKS: THEIR 31% SHARE				
E242768	1999/04/26	NOTICE		*** COMPLETELY DELETED *** 1331430 ONTARIO INC.	OMERS REALTY CORPORATION	
		REMARKS: CHARGE OF LEASE A365834, A800518, C312267, C676593, C744082, C744083, C983057, C982168. ITS 31% SHARE				
E242769	1999/04/26	NOTICE		OMERS REALTY CORPORATION	1331340 ONTARIO INC. OMERS REALTY CORPORATION	C
		REMARKS: A365838, C598897 AND C982170, ASSIGNMENT AND ASSUMPTION OF 31% SHARE IN RESTRICTIVE COVENANT AGREEMENT, THE LAND REGISTRAR IS AUTHORIZED TO DELETE THIS NOTICE FROM THE PARCEL REGISTER WITHOUT NOTICE OR APPLICATION UPON DELETION OF INSTRUMENT NO. A365838				
E254929	1999/06/18	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** KNIGHT CONSULTING SERVICES		
E264180	1999/07/23	NOTICE		*** COMPLETELY DELETED *** THE T. EATON COMPANY LIMITED	GENERAL ELECTRIC CAPITAL CANADA INC.	
		REMARKS: CHARGE OF LEASE A463847				
E269023	1999/08/12	LIEN		*** COMPLETELY DELETED *** WOODARTS LTD		
		REMARKS: E242762				
E272287	1999/08/26	APL (GENERAL)		*** COMPLETELY DELETED *** 666386 ONTARIO LIMITED, COB AS CORTINA CUSTOM MILLWORK		
		REMARKS: E269023				
E276042	1999/09/08	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	KNIGHT CONSULTING SERVICES	
		REMARKS: RE: E254929				
E286718	1999/10/25	NOTICE		*** COMPLETELY DELETED *** GENERAL ELECTRIC CAPITAL CANADA INC.	RETAIL FUNDING, INC.	
		REMARKS: E264180-ASSIGN OF CHARGE OF LEASE				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
E295353	1999/11/30	NOTICE OF SUBLEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	FAMOUS PLAYERS INC.	C
		REMARKS: A365834, A800518, C312267, 676593, C744082, C744083, C980357, C982168, C744091, C982169, E242763, E242764.				
E301086	1999/12/22	APL (GENERAL)		*** COMPLETELY DELETED *** RETAIL FUNDING, INC.		
		REMARKS: E264180 AND E286718				
E301204	1999/12/22	APL (GENERAL)		*** COMPLETELY DELETED *** THE T. EATON COMPANY LIMITED		
		REMARKS: DELETES C896818				
E410531	2001/05/01	NOTICE		1331430 ONTARIO INC.		C
		REMARKS: I HEREBY AUTHORIZE THE LAND REGISTRAR TO DELETE THE ENTRY OF THIS NOTICE FROM THE PARCEL REGISTER WITHOUT NOTICE OF APPLICATION UPON THE DELETION OF INSTRUMENT NO.A365834.				
E410532	2001/05/01	TRANSFER	\$9,755,680	OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC THREE) INC. OMERS REALTY HOLDINGS (STC TWO) INC.	1331430 ONTARIO INC.	C
		REMARKS: PLANNING ACT STATEMENTS 10% SHARE; WHO IS NOW THE OWNER OF 41% SHARE. CORRECTIONS: 'TRANSFEROR: OMERS REALTY HOLDINGS (STC THREE) INC.' ADDED ON 2001/08/13 BY MARIA RODRIGUES. 'TRANSFEROR: OMERS REALTY HOLDINGS (STC TWO) INC.' ADDED ON 2001/08/13 BY MARIA RODRIGUES.				
E410533	2001/05/01	NOTICE		1331430 ONTARIO INC.		C
		REMARKS: I HEREBY AUTHORIZE THE LAND REGISTRAR TO DELETE THE ENTRY OF THIS NOTICE FROM THE PARCEL REGISTER WITHOUT NOTICE OF APPLICATION UPON THE DELETION OF THE FOLLOWING REGISTERED DOCUMENT NO. A-365834. CORRECTIONS: 'DATE OF REGN.' CHANGED FROM '2001/05/16' TO '2001/05/01' ON 2001/09/04 BY DIANE GLYNN.				
E410534	2001/05/01	NOTICE		1331430 ONTARIO INC.		C
		REMARKS: I HEREBY AUTHORIZE THE LAND REGISTRAR TO DELETE THE ENTRY OF THIS NOTICE FROM THE PARCEL REGISTER WITHOUT NOTICE OF APPLICATION UPON THE DELETION OF THE FOLLOWING REGISTERED DOCUMENT NO. C-744091.				
E410536	2001/05/01	CHARGE		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC TWO) INC. OMERS REALTY HOLDINGS (STC THREE) INC.	1331430 ONTARIO INC.	
		CORRECTIONS: 'CHARGOR' CHANGED FROM 'OMERS REALTY HOLDING (STC ONE) INC.' TO 'OMERS REALTY HOLDINGS (STC ONE) INC.' ON 2001/08/13 BY MARIA RODRIGUES. 'CHARGOR: OMERS REALTY HOLDINGS (STC TWO) INC.' ADDED ON 2001/08/13 BY MARIA RODRIGUES. 'CHARGOR: OMERS REALTY HOLDINGS (STC THREE) INC.' ADDED ON 2001/08/13 BY MARIA RODRIGUES.				
E410537	2001/05/01	NO ASSG LESSOR INT		*** COMPLETELY DELETED *** OMERS REALTY CORPORATION	1331430 ONTARIO INC.	
		REMARKS: I HEREBY AUTHORIZE THE LAND REGISTRAR TO DELETE THE ENTRY OF THIS NOTICE FROM THE SAID PARCEL REGISTERS WITHOUT NOTICE OR APPLICATION UPON THE DELETION OF THE FOLLOWING REGISTERED DOCUMENT NO.A-365834.				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
CORRECTIONS: 'PARTY' CHANGED FROM '1331430 ONTARI INC.' TO '1331430 ONTARIO INC.' ON 2001/09/04 BY DIANE GLYNN.						
E410538	2001/05/01	CHARGE		*** COMPLETELY DELETED *** 1331430 ONTARIO INC.	OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC TWO) INC. OMERS REALTY HOLDINGS (STC THREE) INC.	
E410539	2001/05/01	NO ASSG LESSOR INT		*** COMPLETELY DELETED *** 1331430 ONTARIO INC.	1331430 ONTARIO INC.	
REMARKS: I HEREBY AUTHORIZE THE LAND REGISTRAR TO DELETE THE ENTRY OF THIS NOTICE FROM THE SAID PARCEL REGISTERS WITHOUT NOTICE OR APPLICATION UPON THE DELETION OF THE FOLLOWING REGISTERED A-365834.						
E410540	2001/05/01	NOTICE		1331430 ONTARIO INC.		C
REMARKS: I HEREBY AUTHORIZE THE LAND REGISTRAR TO DELETE THE ENTRY OF THIS NOTICE FROM THE SAID PARCEL REGISTER WITHOUT NOTICE OF APPLICATION UPON THE DELETION OF THE FOLLOWING REGISTERED DOCUMENT: NO. A365838						
E410542	2001/05/01	DISCH OF CHARGE		*** COMPLETELY DELETED *** 1331430 ONTARIO INC.		
REMARKS: RE: E242765						
E410543	2001/05/01	DISCH OF CHARGE		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC TWO) INC.		
REMARKS: RE: E242767						
E412115	2001/05/08	APL (GENERAL)		*** COMPLETELY DELETED *** OMERS REALTY CORPORATION	1331430 ONTARIO INC.	
REMARKS: E242768						
E412116	2001/05/08	APL (GENERAL)		*** COMPLETELY DELETED *** 1331430 ONTARIO INC.	OMERS REALTY CORPORATION	
REMARKS: E242766						
E452659	2001/09/05	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** STEEPLEJACK SERVICES, A DIVISION OF 353903 ONTARIO LTD.		
E464197	2001/10/09	RELEASE		*** COMPLETELY DELETED ***	STEEPLEJACK SERVICES, A DIVISION OF 353903 ONTARIO LTD.	
REMARKS: RE: E452659						
E526289	2002/04/16	NOTICE OF LEASE	\$26,622,800	1331430 ONTARIO INC.	OMERS REALTY CORPORATION	C
REMARKS: A365834, A800518, C312267, C676593, C744082, C744083, C983057, C982168, E242761 & E410531						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
E526290	2002/04/16	TRANSFER	\$8,770,700	OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC THREE) INC. OMERS REALTY HOLDINGS (STC TWO) INC.	1331430 ONTARIO INC.	C
E526291	2002/04/16	NOTICE		1331430 ONTARIO INC.	OMERS REALTY HOLDINGS (STC ONE) INC.	C
REMARKS: A365834, A800518, C312267, C676593, C744082, C744083, C983057, C982168, E242763 & E410533 "THE LAND REGISTRAR IS AUTHORIZED TO DELETE THIS NOTICE FROM TITLE UPON THE DELETION OF THE AFORSAID INSTRUMENTS"						
E526292	2002/04/16	NOTICE		1331430 ONTARIO INC.	OMERS REALTY CORPORATION SCARBOROUGH TOWN CENTRE HOLDINGS INC.	C
REMARKS: C744091, C982169, E242764 & E410534 "THE LAND REGISTRAR IS AUTHORIZED TO DELETE THIS NOTICE UPON DELETION OF THE AFORSAID INSTRUMENTS"						
E526294	2002/04/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** 1331430 ONTARIO INC.		
REMARKS: RE: E410536						
E526295	2002/04/16	APL (GENERAL)		*** COMPLETELY DELETED *** 1331430 ONTARIO INC.	OMERS REALTY CORPORATION	
REMARKS: E410537 TO BE DELETED						
E526296	2002/04/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC TWO) INC.		
REMARKS: RE: E410538						
E526297	2002/04/16	APL (GENERAL)		*** COMPLETELY DELETED *** OMERS REALTY CORPORATION	1331430 ONTARIO INC.	
REMARKS: E410539 TO BE DELETED						
E526298	2002/04/16	CHARGE	\$500,000,000	OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC TWO) INC. OMERS REALTY HOLDINGS (STC THREE) INC.	1331430 ONTARIO INC.	C
REMARKS: FURTHER RECORDED BY AT2771178						
E526299	2002/04/16	NO CHARGE LEASE		1331430 ONTARIO INC.	OMERS REALTY CORPORATION	C
REMARKS: A365834, A800518, C312267, C676593, C744082, C744083, C983057, C 982168, E242761, E410531 & E526289 THIS DOCUMENT WAS RE-INSTATED ON 2012/02/17 AT 15:43 BY BULLERWELL, TERRY.						
E526300	2002/04/16	CHARGE	\$500,000,000	1331430 ONTARIO INC.	OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY HOLDINGS (STC TWO) INC. OMERS REALTY HOLDINGS (STC THREE) INC.	C
E526301	2002/04/16	NO CHARGE LEASE		OMERS REALTY CORPORATION	1331430 ONTARIO INC.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
E526302	2002/04/16	NOTICE		1331430 ONTARIO INC.	OMERS REALTY HOLDINGS (STC THREE) INC. OMERS REALTY HOLDINGS (STC TWO) INC. OMERS REALTY HOLDINGS (STC ONE) INC. OMERS REALTY CORPORATION	C
E527574	2002/04/19	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	WAL-MART CANADA CORP.	C
AT223143	2003/07/17	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	ESTEE LAUDER COSMETICS LIMITED	C
AT325955	2003/11/04	NOTICE	\$2	CITY OF TORONTO	OMERS REALTY HOLDINGS (STC ONE) INC. 1331430 ONTARIO INC.	C
AT356737	2003/12/08	NO DET/SURR LEASE		*** COMPLETELY DELETED ***	THE TORONTO-DOMINION BANK	
AT356738	2003/12/08	NOTICE OF SUBLEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	THE TORONTO-DOMINION BANK	C
AT394448	2004/01/27	NOTICE OF LEASE	\$2	SCARBOROUGH TOWN CENTRE HOLDINGS INC.	MILESTONE'S RESTAURANTS INC.	C
AT402229	2004/02/04	NOTICE OF SUBLEASE		*** COMPLETELY DELETED *** SCARBOROUGH TOWN CENTRE HOLDINGS INC.	KREMEKO INC.	
AT405452	2004/02/09	NO CHARGE LEASE		*** COMPLETELY DELETED *** KREMEKO INC.	THE BANK OF NOVA SCOTIA	
AT410063	2004/02/16	NOTICE OF LEASE		1331430 ONTARIO INC. OMERS REALTY HOLDINGS (STC ONE) INC.	1446766 ONTARIO INC.	C
AT434390	2004/03/17	NO CHNG ADDR OWNER		1331430 ONTARIO INC.		C
AT435746	2004/03/19	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** THORIUM CONTRACTING LIMITED		
AT481994	2004/05/11	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	THORIUM CONTRACTING LIMITED	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
66R21393	2004/10/26	PLAN REFERENCE				C
AT751509	2005/03/11	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	MCDONALD'S RESTAURANTS OF CANADA LIMITED	C
AT803415	2005/05/16	CONSTRUCTION LIEN		*** DELETED AGAINST THIS PROPERTY *** KALL PLUMBING & HEATING CORP.		
AT858718	2005/07/12	NOTICE OF SUBLEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	REITMANS (CANADA) LIMITED	C
AT917838	2005/09/09	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** CARMICHAEL ENGINEERING LTD.		
AT921268	2005/09/15	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
AT952440	2005/10/18	CERTIFICATE		*** COMPLETELY DELETED *** CARMICHAEL ENGINEERING LTD.		
AT953909	2005/10/19	APL (GENERAL)		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. 1331430 ONTARIO INC.		
AT965576	2005/10/31	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	KALL PLUMBING & HEATING CORP.	
AT1023257	2005/12/30	NO ASSG LESSEE INT	\$2	BELL CANADA	BELL DISTRIBUTION INC.	C
AT1091762	2006/03/22	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	CARMICHAEL ENGINEERING LTD.	
AT1111431	2006/04/13	NO CHARGE LEASE		*** COMPLETELY DELETED *** HUDSON'S BAY COMPANY	BROOKFIELD BRIDGE LENDING FUND INC.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT1111492	2006/04/13	NO CHARGE LEASE		*** COMPLETELY DELETED *** HUDSON'S BAY COMPANY	ABN AMRO BANK N.V.	
		REMARKS: A461974, C735864, C735865				
AT1130310	2006/05/04	APL CH NAME INST		FAMOUS PLAYERS INC.	CBS CANADA HOLDINGS INC.	C
		REMARKS: E295353				
AT1132431	2006/05/08	NO ASSG LESSEE INT	\$2	CBS CANADA HOLDINGS INC.	FAMOUS PLAYERS CO.	C
		REMARKS: E295353				
AT1145182	2006/05/24	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** RICHMOND STORE FIXTURES LTD.		
AT1160151	2006/06/07	NOTICE	\$2	CITY OF TORONTO	OMERS REALTY HOLDINGS (STC ONE) INC. 1331430 ONTARIO INC.	C
AT1199140	2006/07/17	NOTICE OF SUBLEASE	\$1	SCARBOROUGH TOWN CENTRE HOLDINGS INC.	H & M HENNES & MAURITZ INC.	C
		REMARKS: C744091				
AT1207691	2006/07/26	DIS CONSTRUCT LIEN			RICHMOND STORE FIXTURES LTD.	C
		REMARKS: RE: AT1145182				
AT1224000	2006/08/10	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** SOFAM CONTRACTING INC.		
AT1233188	2006/08/22	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** CITY MARK CONSTRUCTION AND DRYWALL INC.		
AT1277304	2006/10/10	NOTICE OF SUBLEASE		REITMANS (CANADA) LIMITED	SCARBOROUGH TOWN CENTRE HOLDINGS INC.	C
AT1286617	2006/10/23	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	CITY MARK CONSTRUCTION AND DRYWALL INC.	
		REMARKS: RE: AT1233188				
AT1396921	2007/03/13	NOTICE	\$2	CITY OF TORONTO	OMERS REALTY HOLDINGS (STC ONE) INC. 1331430 ONTARIO INC.	C
		REMARKS: AT325955				
AT1396922	2007/03/13	NOTICE	\$2	CITY OF TORONTO	OMERS REALTY HOLDINGS (STC ONE) INC. 1331430 ONTARIO INC.	C
AT1398745	2007/03/15	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** KALL PLUMBING & HEATING CORP.		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
 REGISTRY
 OFFICE #66

06000-0287 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT1437587	2007/05/03	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	KALL PLUMBING & HEATING CORP.	
		REMARKS: RE: AT1398745				
AT1495698	2007/07/03	APL AMEND ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	LIZ CLAIBORNE CANADA INC.	
		REMARKS: AT1224000 BE VACATED				
AT1551480	2007/08/24	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** KALL PLUMBING & HEATING CORP		
AT1606890	2007/10/17	TRANSFER		1331430 ONTARIO INC.	156 STC LIMITED	C
AT1623242	2007/11/02	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	AAA-SCARBOROUGH TOWN DENTAL CENTRE/GROUP INC.	C
AT1639654	2007/11/20	APL (GENERAL)		*** COMPLETELY DELETED *** ABN AMRO BANK N.V.	BANK OF AMERICA, NATIONAL ASSOCIATION	
		REMARKS: AT1111492, A461974, C735864, C735865 DELETED BY AT3223259 - 2014/12/18 - OLIVIER N				
AT1812061	2008/06/23	NOTICE OF SUBLEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	REITMANS (CANADA) LIMITED	C
		REMARKS: C744091; EXPIRY 2018/09/30;				
AT1941354	2008/11/03	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED ***	KALL PLUMBING & HEATING CORP	
		REMARKS: RE: AT1551480				
AT2310328	2010/02/23	NOTICE	\$2	CITY OF TORONTO	OMERS REALTY HOLDINGS (STC ONE) INC. 156 STC LIMITED	C
		REMARKS: SITE PLAN AGREEMENT				
AT2398405	2010/06/01	NOTICE	\$2	CITY OF TORONTO	OMERS REALTY HOLDINGS (STC ONE) INC. 156 STC LIMITED	C
		REMARKS: SITE PLAN AGREEMENT				
AT2559148	2010/11/24	DISCH OF CHARGE		*** COMPLETELY DELETED *** BROOKFIELD BRIDGE LENDING FUND INC.		
		REMARKS: AT1111431.				
AT2562141	2010/11/26	NO CHARGE LEASE		*** COMPLETELY DELETED *** HUDSON'S BAY COMPANY	GE CAPITAL CANADA FINANCE INC.	
		REMARKS: A461974.				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT2562160	2010/11/26	POSTPONEMENT		*** COMPLETELY DELETED *** BANK OF AMERICA, NATIONAL ASSOCIATION	GE CAPITAL CANADA FINANCE INC.	
		REMARKS: AT1111492 TO AT2562141				
AT2574280	2010/12/10	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** IANNUZZI, TONY		
AT2585829	2010/12/23	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** ALL CITY DRYWALL AND ACOUSTICS INC		
AT2604010	2011/01/21	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** ALL CITY DRYWALL AND ACOUSTICS INC		
		REMARKS: AT2585829.				
AT2606394	2011/01/26	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** IANNUZZI, TONY		
		REMARKS: AT2574280.				
AT2618847	2011/02/10	TRANSFER OF CHARGE		1331430 ONTARIO INC.	156 STC LIMITED	C
		REMARKS: E526298. FURTHER RECORDED BY AT2771178				
AT2618908	2011/02/10	APL (GENERAL)		1331430 ONTARIO INC.	156 STC LIMITED	C
		REMARKS: RE, E526299 THIS DOCUMENT WAS RE-INSTATED ON 2012/02/17 AT 15:44 BY BULLERWELL, TERRY.				
AT2949001	2012/02/17	LR'S ORDER		LAND TITLE NO 66		C
		REMARKS: REINSTATE E526299 AND AT2618908				
AT3182926	2012/11/26	DISCH OF CHARGE		*** COMPLETELY DELETED *** GE CAPITAL CANADA FINANCE INC.		
		REMARKS: AT2562141.				
AT3223259	2013/01/24	DISCH OF CHARGE		*** COMPLETELY DELETED *** BANK OF AMERICA, NATIONAL ASSOCIATION		
		REMARKS: AT1111492.				
AT3302967	2013/05/17	NOTICE OF SUBLEASE	\$2	TWEEN BRANDS CANADA STORES LTD.	TWEEN BRANDS CANADA STORES LTD.	C
		REMARKS: C744091.				
AT3419818	2013/09/30	TRANSFER		156 STC LIMITED	ARI STC GP INC.	C
AT3419819	2013/09/30	TRANSFER OF CHARGE		156 STC LIMITED	ARI STC GP INC.	C
		REMARKS: AT2618847. E526298 AT3419820				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
AT3419821	2013/09/30	APL (GENERAL) <i>REMARKS: E526299, AT2618908,</i>		156 STC LIMITED	ARI STC GP INC.	C
AT3463117	2013/11/27	NOTICE OF LEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	CARA OPERATIONS LIMITED	C
AT4509623	2017/03/13	NOTICE OF LEASE <i>REMARKS: EXPIRY DATE 2025/01/31</i>		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	VF OUTDOOR (CANADA), INC.	C
AT4539863	2017/04/19	NOTICE OF LEASE <i>REMARKS: EXPIRY DATE: 2023/08/31</i>	\$1	SCARBOROUGH TOWN CENTRE HOLDINGS INC.	THE BANK OF NOVA SCOTIA	C
AT4620014	2017/07/06	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** 152610 CANADA INC.		
AT4623148	2017/07/10	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** ABBARCH ARCHITECTURE INC.		
AT4623801	2017/07/11	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** CITYMARK CONSTRUCTION AND DRYWALL LTD.		
AT4630572	2017/07/18	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** LANCOR ELECTRIC (1996) LTD.		
AT4640337	2017/07/28	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** NELNOR CONSTRUCTION, A DIVISION OF DECOR CRAFT INC.		
AT4643739	2017/08/01	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** 9241582 CANADA INC.		
AT4656477	2017/08/16	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** INDUSTRIAL FLOOR SYSTEMS CORP.		
AT4674619	2017/09/06	APL DEL CONST LIEN <i>REMARKS: AT4630572.</i>		*** COMPLETELY DELETED *** LANCOR ELECTRIC (1996) LTD.		
AT4676578	2017/09/08	CERTIFICATE <i>REMARKS: AT4620014.</i>		*** COMPLETELY DELETED *** 152610 CANADA INC.		
AT4681133	2017/09/14	CERTIFICATE <i>REMARKS: AT4623148</i>		*** COMPLETELY DELETED *** ABBARCH ARCHITECTURE INC.		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
AT4683400	2017/09/18	CERTIFICATE		*** COMPLETELY DELETED *** CITYMARK CONSTRUCTION AND DRYWALL LTD.		
		REMARKS: AT4623801				
AT4684086	2017/09/19	CERTIFICATE		*** COMPLETELY DELETED *** NELNOR CONSTRUCTION, A DIVISION OF DECOR CRAFT INC.		
		REMARKS: AT4640337				
AT4688184	2017/09/22	CERTIFICATE		*** COMPLETELY DELETED *** INDUSTRIAL FLOOR SYSTEMS CORP.		
		REMARKS: AT4656477				
AT4697588	2017/10/03	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** KONE INC.		
AT4736395	2017/11/20	NO DET/SURR LEASE		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. ARI STC GP INC.	OMERS REALTY HOLDINGS (STC ONE) INC. ARI STC GP INC.	
		REMARKS: A463847.				
AT4752810	2017/12/06	CERTIFICATE		*** COMPLETELY DELETED *** KONE INC.		
		REMARKS: CERTIFICATE OF ACTION RE: AT4697588				
AT4783799	2018/01/19	APL DEL CONST LIEN		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. ARI STC GP INC.		
		REMARKS: AT4643739.				
AT4783800	2018/01/19	APL DEL CONST LIEN		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. ARI STC GP INC.		
		REMARKS: AT4697588. DELETES AT4697588 & AT4752810				
AT4783801	2018/01/19	APL DEL CONST LIEN		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. ARI STC GP INC.		
		REMARKS: AT4656477. DELETES AT4688184				
AT4783802	2018/01/19	APL DEL CONST LIEN		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. ARI STC GP INC.		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
REMARKS: AT4640337. DELETES AT4684086						
AT4783803	2018/01/19	APL DEL CONST LIEN		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. ARI STC GP INC.		
REMARKS: AT4623801. DELETES AT4683400						
AT4783804	2018/01/19	APL DEL CONST LIEN		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. ARI STC GP INC.		
REMARKS: AT4623148. DELETES AT4681133						
AT4783805	2018/01/19	APL DEL CONST LIEN		*** COMPLETELY DELETED *** OMERS REALTY HOLDINGS (STC ONE) INC. ARI STC GP INC.		
REMARKS: AT4620014. DELETES AT4676578						
AT4783806	2018/01/19	APL AMEND ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	SCARBOROUGH TOWN CENTRE HOLDINGS INC.	
REMARKS: DELETES A461974, A824056, C735864 & C735865						
AT4842305	2018/04/13	NOTICE OF SUBLEASE		SCARBOROUGH TOWN CENTRE HOLDINGS INC.	H&M HENNES & MAURITZ INC.	C
REMARKS: C744091.						
AT4871245	2018/05/25	NOTICE OF LEASE		SHOPPERS REALTY INC.		C
AT4874486	2018/05/30	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** C.A.S. INTERIORS INC.		
AT4889948	2018/06/19	CERTIFICATE		*** COMPLETELY DELETED *** C.A.S. INTERIORS INC.		
REMARKS: AT4874486 DELETED BY K. DOCKERY-CLAVEAU ON 2019/12/02						
AT5295973	2019/11/18	APL DEL CONST LIEN		*** COMPLETELY DELETED *** C.A.S. INTERIORS INC.		
REMARKS: AT4874486.						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

This is Exhibit "B" referred to in the
Affidavit of Catherine Ma, sworn
before me over video teleconference
this 21st day of May, 2020.



A Commissioner for Taking Affidavits



Ministry of Revenue Land Speculation Tax Section Queen's Park Toronto, Ontario M7A 1Y2

FILE NUMBER 33-007745

LIEN CLEARANCE CERTIFICATE

Pursuant to subsection 2 of Section 5 of The Land Speculation Tax Act, 1974:

This is to certify that no lien is claimed up to and including the date as of which this certificate is given with respect to the designated land described below resulting from its disposition.

Scarborough Shopping Centre Limited

Address

DESCRIPTION OF DESIGNATED LAND

Department store facilities in Scarborough Town Centre Regional Shopping Centre, Blocks M and N, Plot M-1410, Progress Avenue in the Borough of Scarborough (City of Toronto)

Proceeds of disposition \$ n/a (SEE APRIL 1974)

Given as of the 14 day of November 1974

For Minister of Revenue

May 19. 70



NOV1274 5305 \$0012.00feA

THE LAND TITLES ACT

Application to Register Notice of Sub-Lease
Section 115 Subsection 3

OK re F.T. 7. 9. 74. Law Dept. Tor. Ont.

TO THE MASTER OF TITLES AT TORONTO

Simpsons, Limited, a company incorporated under the laws of Canada and having its head office in the City of Toronto, being interested in the land entered in the Registers for Plan M-1410 as Parcel Nos. M-2 and N-1, of which Viking Shopping Centres Limited is the registered owner, hereby applies to have entered on the registers for the said Parcels Notice of a Sub-lease, dated the 17th day of July, 1972, made between Scarborough Shopping Centre Limited, the Lessor therein, and the said Simpsons, Limited, the Lessee therein, (Viking Shopping Centres Limited joining therein as a party of the third part), for the term of thirty-five (35) years, nine (9) months and fourteen (14) days and containing the right to extend such term for six (6) successive terms of ten (10) years each and thereafter for a final period which expires upon the earlier of five (5) years after the commencement of the period or the date preceding the expiration of the term of a Ground Lease entered into between Viking Shopping Centres Limited and Scarborough Shopping Centre Limited, such lease otherwise containing other terms and provisions all of which are incorporated in this notice by reference.

The evidence in support of this application consists of:

- 1. An original counterpart of lease, which is annexed hereto.

The address of Simpsons, Limited for service is 32nd Floor, 401 Bay Street, Toronto, M5H 3K2, Ontario.

DATED at Toronto this 12th day of November, 1974.

(Signed) SIMPSONS, LIMITED, by its solicitors,
Joy, Joy, Sandhu & Cunningham
By: *L. Robertson*

VIKING SHOPPING CENTRES LIMITED the registered owner of the said lands hereby concurs in this application and consents to its registration.

VIKING SHOPPING CENTRES LIMITED

By its solicitor

D. Cresswell
Registered Owner
DONALD F. CRESSWELL

2

SCARBOROUGH SHOPPING CENTRE

SIMPSON LEASE

INDEX

ARTICLE I - DEFINED TERMS

- 1.1 Capitalized terms
- 1.2 Definitions

ARTICLE II - DEMISE OF SIMPSONS LAND, USE OF COMMON FACILITIES AND CONSTRUCTION OF CENTRE

- 2.1 Demise of SIMPSONS LAND and Ownership of Improvements
- 2.2 Rights to use COMMON FACILITIES
- 2.3 SIMPSONS and other outdoor selling areas
- 2.4 Employee parking
- 2.5 Construction of SIMPSONS BUILDING
- 2.6 Construction of CENTRE
- 2.7 Entry for Construction and Inspection

ARTICLE III - TERM, EXTENSIONS OF TERM AND RENT

- 3.1 Original term
- 3.2 Rights to extend TERM
- 3.3 Rent
- 3.4 Overholding

3

ARTICLE IV - TENANT'S COVENANTS

- 4.1 TENANT'S covenants regarding utilities, taxes, repairs and assignment and subletting
- 4.2 TENANT to heat, ventilate and air-condition SIMPSONS BUILDING
- 4.3 Use of DEMISED PREMISES, hours of business and business name
- 4.4 TENANT'S covenants regarding cleanliness, hazardous uses, signs, use of PARKING FACILITIES, deliveries and rules and regulations
- 4.5 Compliance with by-laws
- 4.6 TENANT to belong to merchants' association

ARTICLE V - LANDLORD'S COVENANTS

- 5.1 Compliance with GROUND LEASE
- 5.2 Hours of business for CENTRE and operation of COMMON FACILITIES

- 5.3 LANDLORD to pay taxes
- 5.4 COMMON FACILITIES to be used only to benefit CENTRE
- 5.5 Transfers and mortgages by LANDLORD
- 5.6 Management Office
- 5.7 LANDLORD to organize merchants' association
- 5.8 LANDLORD to operate CENTRE
- 5.9 LANDLORD to operate COMMON FACILITIES
- 5.10 LANDLORD rights to manage SIMPSONS PARKING FACILITIES and other COMMON FACILITIES on SIMPSONS LAND
- 5.11 Compliance with by-laws

ARTICLE VI - MAINTENANCE BY LANDLORD

- 6.1 LANDLORD to maintain and light PARKING FACILITIES, MALL and DELIVERY FACILITIES
- 6.2 LANDLORD to maintain heating and air-conditioning of COMMON FACILITIES
- 6.3 LANDLORD to maintain COMMON UTILITIES
- 6.4 LANDLORD to furnish additional utilities to TENANT
- 6.5 Additional utilities in SIMPSONS LAND

ARTICLE VII - RESTRICTIONS ON LEASING TO OTHER TENANTS

- 7.1 Restrictions on initial leasing of RETAIL SPACE
- 7.2 Restrictions on assignment and subletting
- 7.3 Additional restrictions on certain RETAIL SPACE
- 7.4 Amendment of MERCHANDISING PLAN
- 7.5 LANDLORD to supply information as to leasing
- 7.6 Settlement of disagreements regarding leasing
- 7.7 Restriction on use of non-retail buildings

ARTICLE VIII - LEASES TO OTHER TENANTS

- 8.1 Covenants to be continued in leases
- 8.2 Essential lease covenants to be enforced
- 8.3 LANDLORD to establish and enforce rules and regulations
- 8.4 LANDLORD not to mortgage so as to preclude enforcement of leases

ARTICLE IX - RESTRICTION ON USE BY LANDLORD AND OTHERS

- 9.1 Certain businesses prohibited in CENTRE
- 9.2 Restriction of merchandising and advertising activities in COMMON FACILITIES

ARTICLE X - BANKRUPTCY AND INSOLVENCY

- 10.1 LANDLORD'S option to terminate lease on bankruptcy or surrender of charter of TENANT

ARTICLE XI - INSURANCE

- 11.1 TENANT to insure SIMPSONS BUILDING
- 11.2 TENANT to rebuild but may terminate in certain events
- 11.3 Proceeds of TENANT'S insurance
- 11.4 LANDLORD to insure during construction and subsequently to insure CENTRE other than SIMPSONS BUILDING
- 11.5 LANDLORD to rebuild but may terminate in certain events
- 11.6 LANDLORD'S public liability insurance
- 11.7 TENANT'S public liability insurance.

ARTICLE XII - LANDLORD'S REPAIRS, INDEMNITIES

- 12.1 LANDLORD to repair and maintain CENTRE other than SIMPSONS BUILDING
- 12.2 LANDLORD indemnifies TENANT regarding occurrences in COMMON FACILITIES
- 12.3 TENANT indemnifies LANDLORD regarding occurrences in SIMPSONS BUILDING

ARTICLE XIII - COST OF MAINTAINING COMMON FACILITIES

- 13.1 TENANT to contribute proportionate share of operating cost of COMMON FACILITIES
- 13.2 Determination of operating cost
- 13.3 Estimate and instalments of proportionate share
- 13.4 Final determination and adjustment of proportionate share
- 13.5 Additional COMMON FACILITIES costs payable by TENANT

ARTICLE XIV - CERTAIN REMEDIES OF TENANT

- 14.1 TENANT'S right to provide utilities where LANDLORD delayed, and to maintain certain COMMON FACILITIES
- 14.2 TENANT'S right to assume management on LANDLORD'S default

ARTICLE XV - EXPANSION, ALTERATION AND RECONSTRUCTION OF THE SIMPSONS BUILDING

- 15.1 Expansion of SIMPSONS BUILDING
- 15.2 Alteration and reconstruction of HATON BUILDING
- 15.3 Alteration of SIMPSONS PARKING FACILITIES

ARTICLE XVI - EXPANSION, ALTERATION AND RECONSTRUCTION OF CENTRE

- 16.1 Expansion of EATONS BUILDING, LANDLORD'S BUILDINGS and COMMON FACILITIES
- 16.2 Alterations or reconstruction of EATONS BUILDING and LANDLORD'S BUILDINGS
- 16.3 Alteration or reconstruction of COMMON FACILITIES
- 16.4 Landlord to minimize interference by construction or other work

ARTICLE XVII - PARKING FACILITIES

- 17.1 Required number of PARKING SPACES on SIMPSONS LAND
- 17.2 Required number of PARKING SPACES on LANDLORDS LAND
- 17.3 Obligation of LANDLORD to provide initial PARKING SPACES
- 17.4 Obligations of parties to provide or contribute to cost of additional PARKING FACILITIES for expansion
- 17.5 EATONS to comply with parking requirements

ARTICLE XVIII - PROVISOS AND REMEDIES

- 18.1 Removal of TENANT'S fixtures
- 18.2 Proviso for re-entry by LANDLORD on TENANT'S default
- 18.3 Notice of monetary default by LANDLORD or TENANT
- 18.4 Notice of non-monetary default by LANDLORD or TENANT
- 18.5 Provision of utilities not to be prevented by default

ARTICLE XIX - MISCHLLANBOUS

- 19.1 Apportionment of tax assessments
- 19.2 Rights of LANDLORD and TENANT to contest taxes, liens, by-laws and other legal requirements
- 19.3 Notification of UNAVOIDABLE DELAYS
- 19.4 Laws of Ontario to govern
- 19.5 Non-enforcement not to constitute waiver
- 19.6 Captions not to affect interpretation
- 19.7 Termination or amendment only in writing
- 19.8 Remedies are cumulative and additional
- 19.9 Arbitration
- 19.10 Planning Act
- 19.11 Standards of repair, maintenance and operation
- 19.12 Notices
- 19.13 Approvals of plans and specifications
- 19.14 UNAVOIDABLE DELAY
- 19.15 Support and common elements
- 19.16 Boundary adjustments
- 19.17 Additions to SITE
- 19.18 Successors and assigns
- 19.19 Recognition by VIKING

SUMMARY OF SCHEDULES

SCHEDULE A:	-	Description of SITE
SCHEDULE B:	-	Description of SIMPSONS LAND
SCHEDULE C:	-	SITE PLAN
SCHEDULE D:	-	MERCHANDISING PLAN
SCHEDULE E:	-	Plan M-1410

THIS LEASE made as of the 17th day of July, 1972,
IN PURSUANCE OF THE SHORT FORMS OF LEASES ACT

B E T W E E N:

SCARBOROUGH SHOPPING CENTRE LIMITED,
a Company incorporated under the laws
of Ontario,

OF THE FIRST PART

- and -

SIMPSONS, LIMITED, a Company
incorporated under the laws of
Canada,

OF THE SECOND PART

- and -

VIKING SHOPPING CENTRES LIMITED,
a Company incorporated under the
laws of Ontario,

OF THE THIRD PART

WITNESSETH THAT:

WHEREAS the LANDLORD is the Lessee of the SITE under
the GROUND LEASE, and VIKING as Lessor under the GROUND LEASE
has agreed with the TENANT to recognize this Lease and afford
the TENANT security of tenure in the event of any termination
of the GROUND LEASE;

AND WHEREAS the LANDLORD is constructing the CENTRE and
has agreed to lease to the TENANT, and the TENANT has agreed to
lease from the LANDLORD, the SIMPSONS LAND for the purpose of
constructing and operating thereon the SIMPSONS BUILDING:

WITNESSETH THAT the parties hereto covenant and agree

LAND REGISTRY OFFICES
NO. 1000
1974 NOV 12 AM 11:05
REGISTRATION

ARTICLE I
DEFINED TERMS

Section 1.1 Terms in block letters are defined terms and
are used in this Lease as defined in Section 1.2 and only as
so defined, whether or not they may have some other meaning
as commonly used.

Section 1.2 As used in this lease the following defined terms

or grammatical variations thereof shall have the following meanings, the necessary grammatical changes being made to fit their grammatical use:

"AFFILIATE" means, with respect to any corporation, any person, firm, association or corporation which CONTROLS, is CONTROLLED by, or is under common CONTROL with, such corporation.

"CENTRE" means the SITE, together with all buildings and improvements from time to time thereon, and also means, when not used solely to designate the geographical location thereof, the operation and functioning thereof as a shopping centre.

"COMMON FACILITIES" means the PARKING FACILITIES, MALL, COMMON UTILITIES, all other portions of the CENTRE (including but not limited to sidewalks, landscaped areas, exterior ramps and stairways, elevators, escalators, washrooms and children's care and play areas), which are from time to time provided or available for the general use, convenience or enjoyment of CONCESSIONAIRES and their employees and customers, or some or all of them, and are not used exclusively by any CONCESSIONAIRE for the conduct of its business, and includes all portions of the buildings and improvements from time to time on the SITE (other than the EATONS BUILDING, SIMPSONS BUILDING, rented or rentable space in the LANDLORD'S BUILDINGS and the HVAC PLANT), and also includes all systems for heating, ventilating or cooling the MALL and other enclosed portions of the COMMON FACILITIES referred to and for providing water, electricity, storm and sanitary drainage, gas and other utilities in the PARKING FACILITIES, MALL and other COMMON FACILITIES referred to (in each case to the extent that such systems are within and exclusively serving such COMMON FACILITIES), and in addition includes any portions of the SIMPSONS PARKING FACILITIES which are not on the SIMPSONS LAND but are on other land approved by the LANDLORD pursuant to Subsection 15.1 (3), all as from time to time altered or relocated pursuant to the provisions of this lease, but excludes:

- (1) DELIVERY FACILITIES;
- (2) the HVAC PLANT; and
- (3) all outdoor selling areas referred to in Section 2.3 while seasonally used for retail selling activities.

"COMMON UTILITIES" means the systems in the CENTRE (including pipes, wires, conduits and all their associated apparatus and appurtenances, as from time to time altered, repaired, rebuilt, reconstructed, enlarged or extended) which are from time to time used for the purpose of providing water, electricity, storm and sanitary drainage, gas and other utilities to the CENTRE and to rented or rentable space and COMMON FACILITIES therein, but excluding:

- (1) the HVAC PLANT and all other systems or parts of systems for providing heating, ventilating or cooling (whether to COMMON FACILITIES or to rented or rentable space);
- (2) all portions of systems which are within and exclusively serving any rented or rentable space (including the EATONS BUILDING, the SIMPSONS BUILDING and all rented or rentable space within the LANDLORDS BUILDINGS);
- (3) all portions of systems which, although not within any rented or rentable space, serve such space exclusively with a utility which is not provided generally to CONCESSIONAIRES but is provided by special arrangement to the particular space; and
- (4) all portions of systems which are within and exclusively serving, and thus part of, PARKING FACILITIES, the MALL or other COMMON FACILITIES.

"CONCESSIONAIRE" means any person, firm, association or corporation who or which from time to time conducts business in any portion of the CENTRE as lessee or sublessee of, or under any concession or licence from the LANDLORD (and includes the TENANT and EATONS and sublessees and those under any concession or licence from either of them).

"CONSTRUCTION AGREEMENT" means those portions of the letter agreement dated July 17, 1972 between the TENANT, Trizec Equities Limited and the LANDLORD which relate to the construction of the CENTRE as originally intended to be constructed.

"CONTROL" means the ownership either directly or indirectly of shares having more than half the votes entitled to be cast for the election of the directors of a corporation, other than shares having such votes only subject to the happening of a contingency which has not occurred.

"DELIVERY FACILITIES" means the facilities from time to time provided for use in making deliveries to and taking deliveries from the CENTRE of goods, wares and merchandise and includes all truck courts, loading bays and docks, freight elevators and other such facilities, but does not include any such facilities which are included within any rented or rentable premises.

"EATONS" means The T. Eaton Company Limited and its successors and assigns as tenant and occupant of the EATONS LAND, EATONS BUILDING and EATONS outdoor selling area. //

"EATONS BUILDING" means the department store building as constructed on the EATONS LAND at OPENING DATE (but including any portions of the said building which may at OPENING DATE, or may from time to time thereafter with the consent of the LANDLORD, encroach on, under or over other portions of the SITE) as the same may from time to time be repaired, replaced, restored, reconstructed, rebuilt or expanded pursuant to the provisions of this Lease.

"EATONS LAND" means the lands which are the site of the EATONS BUILDING and which are shown outlined coloured green on the SITE PLAN.

"GROSS FLOOR AREA" means, with respect to any premises (including kiosks in the MALL) the aggregate actual number of square feet of floor space therein, measured to the exterior faces of the exterior walls, whether fixed or movable, which define the exterior

limits of such premises when it is closed to the public (except in the case of walls separating such premises from any interior space which is not a COMMON FACILITY, where such measurements shall be to the centre-line instead of the exterior face thereof) without deduction of any space occupied by or used for columns, stairs, elevators, escalators or other interior construction or equipment, including:

- (1) all floors, basements, penthouses and sub-sidewalk spaces in such premises;
- (2) space in any truck or loading dock within such premises;
- (3) except in the case of any major department store premises, the area of any exterior bay or recess of such premises which lies between any recessed entrance or window and the general line of an exterior wall; and
- (4) in the case of a kiosk in the MALL including the area of any space in the MALL immediately adjacent to such kiosk which is primarily used by customers of such kiosk while being served,

12

but excluding any exterior roof space and any outdoor seasonal selling area.

"GROUND LEASE" means the lease of the SITE from Viking Shopping Centres Limited to Scarborough Shopping Centre Limited dated as of March 17, 1972.

"HVAC PLANT" means the central and semi-central portions of the plant and equipment in the CENTRE which exists for the purpose of supplying cooling (and to a limited extent ventilation, and if and when applicable, heating) to the MALL and other portions of the enclosed COMMON FACILITIES which are designed to be air-conditioned and also to rented or rentable space within the LANDLORDS BUILDINGS and the EATONS BUILDING, and includes the distribution system associated therewith, but does not include any portion of any system for heating, ventilating or cooling which is within and exclusively serving any space (whether such space is a COMMON FACILITY or rented or rentable space).

"LANDLORD" means Scarborough Shopping Centre Limited and its successors and assigns as lessor under this Lease.

"LANDLORDS BUILDINGS" means the portions of the buildings and improvements from time to time on the SITE which constitute rented or rentable premises, other than the RATONS BUILDING and the SIMPSONS BUILDING.

"LANDLORDS LAND" means all of the SITE other than the SIMPSONS LAND.

"LANDLORDS PARKING FACILITIES" means the portion of the PARKING FACILITIES which from time to time is on the LANDLORDS LAND.

"MALL" means the enclosed pedestrian concourses, walkways and courts of the CENTRE as from time to time altered or extended pursuant to the provisions of this Lease (the areas to be occupied by which at various levels at OPENING DATE are shown outlined in brown on the MERCHANDISING PLAN).

"MERCHANDISING PLAN" means the plans showing sizes and locations of premises in the CENTRE at OPENING DATE and the type of use therefor annexed as Schedule D hereto, as from time to time altered or amended pursuant to the provisions of this Lease.

"NET FLOOR AREA" means, with respect to any premises (including kiosks in the MALL), the GROSS FLOOR AREA of such premises but deducting the actual number of square feet of space in such premises occupied by:

- (i) washrooms provided for use by customers or other members of the public (except to the extent required to be provided in or in conjunction with any restaurant or other area serving food or beverages by reason of municipal or other building by-laws and codes);
- (ii) any trucking facility or loading dock;
- (iii) vertical transportation equipment other than stairways; and
- (iv) electrical, mechanical and other similar types of rooms.

"OPENING DATE" means May 2, 1973.

"PARKING FACILITIES" means the parking facilities and improvements from time to time in the CENTRE (but including any on land other than the SITE but which has been approved by the LANDLORD pursuant to Subsection 15.1 (3)) which provide PARKING SPACES for use in the parking of vehicles of persons from time to time entitled to use the same by the terms of this Lease, and includes PARKING STRUCTURES and all such PARKING SPACES, whether at grade level or in PARKING STRUCTURES, and also includes the exits, entrances, walks, access roads and lanes and all other means of pedestrian and vehicular access thereto, and the structures and improvements and landscaping associated therewith or required for the operation thereof.

"PARKING SPACE" means a space so arranged as to accommodate a private passenger automobile of a size which is from time to time standard, and to provide reasonable access to such space and to the automobile (which space shall, at OPENING DATE, be of a width and length not less than 8 feet 6 inches and 18 feet 6 inches respectively).

"PARKING STRUCTURE" means any structure (whether a ramp, deck or other building or structure, extending above or below grade level), containing PARKING SPACES.

14
 "RETAIL SPACE" means all rented or rentable space in any building from time to time on the SITE which is occupied, or (if unoccupied) is appropriate and intended for occupancy, by occupants for use for a business of providing any of the goods or services to the public of the nature provided by businesses of the types commonly found at mall level of regional shopping centres, including retail shops, sales kiosks and other types of sales outlets, service establishments such as banks, trust companies, dry cleaners and barbers, and eating establishments such as snack bars and restaurants, and including also the quantity of commercial office space existing at OPENING DATE, but excluding all other commercial office space and space (if any shall have been approved by the TENANT pursuant to paragraph (1) of Subsection 16.1 (4))

occupied or appropriate and intended for occupancy for recreational, residential, hotel or motel purposes.

"SIMPSONS BUILDING" means the department store building as constructed on the SIMPSONS LAND at OPENING DATE (but including any portions of the said building which may at OPENING DATE, or may from time to time thereafter with the consent of the LANDLORD, encroach on, under or over the LANDLORDS LAND) as the same may from time to time be repaired, replaced, restored, reconstructed or rebuilt or expanded.

"SIMPSONS LAND" means the lands which include the site of the SIMPSONS BUILDING and the SIMPSONS PARKING FACILITIES and which are described in Schedule B hereto annexed and are shown outlined coloured blue on the SITE PLAN.

"SIMPSONS OUTDOOR SELLING AREA" means the area on the SIMPSONS LAND which the TENANT may use from time to time for outdoor seasonal selling activities pursuant to Section 2.3.

"SIMPSONS PARKING FACILITIES" means the portion of the PARKING FACILITIES which from time to time is located on the SIMPSONS LAND and on any other land approved by the LANDLORD pursuant to Subsection 15.1 (3). 15-

"SIMPSONS RENT AGREEMENT" means the agreement so entitled of even date herewith which sets out the annual rent from time to time to be paid by the TENANT under this Lease.

"SITE" means the lands which are the site of the CENTRE, and which are presently described in Schedule A hereto and shown outlined coloured red on the copy of Plan M-1410 annexed as Schedule B hereto, as altered from time to time by the expropriation of parts thereof, or by the addition thereto pursuant to Section 19.17 of any lands within the boundaries of the parcel bounded by Highway 401, McCowan Road, Ellesmere Road and Brimley Road and in reasonable proximity to the SITE in which the LANDLORD shall at any time have acquired an interest by purchase, lease or otherwise and shall declare to have become part of the SITE and use for an expansion of the CENTRE.

"SITE PLAN" means the plan attached as Schedule C hereto.

"TENANT" means Simpsons, Limited and its successors and assigns as lessee under this Lease.

"TERM" means the term of this Lease as from time to time extended under the provisions of this Lease or otherwise, and includes any period of permitted overholding by the TENANT.

"UNAVOIDABLE DELAY" means any prevention, delay or interruption due to:

(a) strike, lockout, labour dispute, act of God, or inability to obtain labour or materials, or

(b) failure to obtain any necessary permit or approval after the party obliged to do so has used its best efforts to do so, or

(c) inability to comply with laws, ordinances, rules, regulations or orders of governmental authorities, or

(d) enemy or hostile action, civil commotion, fire or other casualty, or

(e) other conditions or causes, whether of the foregoing character or not, beyond the reasonable control of the party obligated to perform if such party has acted in a reasonable business manner with respect thereto,

but excludes any lack of funds or other financial cause of delay.

"VIKING" means Viking Shopping Centres Limited and its successors and assigns.

ARTICLE IIDEMISE OF SIMPSONS LAND, USE OF COMMON FACILITIES, AND CONSTRUCTION OF CENTRE

Section 2.1 (a) In consideration of the rents, covenants and agreements hereinafter respectively reserved and contained on the part of the TENANT to be respectively paid, observed and performed, the LANDLORD doth demise and lease unto the TENANT, for the original term referred to in Section 3.1 and upon the conditions hereinafter mentioned, the SIMPSONS LAND, together with the right to maintain any portions of the SIMPSONS BUILDING which may at OPENING DATE, or at any time thereafter with the consent of the LANDLORD, encroach on, under or over the LANDLORDS LAND, but reserving to the LANDLORD:

- (i) any portions of the LANDLORDS BUILDINGS which may at OPENING DATE, or may from time to time thereafter with the consent of the TENANT, encroach on, under or over the SIMPSONS LAND; and
- (ii) for the use of the LANDLORD and its CONCESSIONAIRES and their respective officers, agents and employees and for the use of their respective customers and persons having business with the LANDLORD or its CONCESSIONAIRES, a non-exclusive right to use the SIMPSONS PARKING FACILITIES on the SIMPSONS LAND and other COMMON FACILITIES located on the SIMPSONS LAND for their respective intended purposes.

(b) If the TENANT pays the rent reserved by the SIMPSONS RENT AGREEMENT and the other charges herein provided to be paid by it and performs the covenants on its part herein contained, the TENANT shall and may peaceably enjoy and possess the SIMPSONS LAND for the TERM, without any interruption or disturbance whatsoever from the LANDLORD or any person, firm or corporation lawfully claiming from or under the LANDLORD, subject to the provisions of this Lease.

(c) The LANDLORD, the TENANT and, in consideration of the sum of one dollar now paid to it by the TENANT (the receipt and sufficiency of which is hereby acknowledged), VIKING agree that the title to and ownership of the SIMPSONS BUILDING and the

SIMPSONS PARKING FACILITIES on the SIMPSONS LAND shall at all times during the TERM be vested in the TENANT, notwithstanding any rule of law as to immediate vesting of the title thereto in the LANDLORD or in VIKING, as lessee under the GROUND LEASE and as the owner of the freehold reversion in the SIMPSONS LANDS respectively, and notwithstanding the provisions of Section 8.02 of the GROUND LEASE, and shall not pass to and become vested in the LANDLORD until the termination of this Lease, either by passage of time or other termination, only upon which termination shall the title to and ownership of the SIMPSONS BUILDING and the SIMPSONS PARKING FACILITIES on the SIMPSONS LAND become that of the LANDLORD, free of all encumbrances.

Section 2.2 (a) The LANDLORD hereby grants to the TENANT, for the use of the TENANT and its CONCESSIONAIRES and their respective officers, agents and employees and for the use of their respective customers (only for the purpose of enabling such customers to shop in any portion of the CENTRE) and for the use of persons having business with the TENANT or its CONCESSIONAIRES (only for purposes in connection with such business), a non-exclusive right to use, from and after the OPENING DATE and thereafter during the TERM, the DELIVERY FACILITIES and all COMMON FACILITIES (other than those on the SIMPSONS LAND and any SIMPSONS PARKING FACILITIES on any other land approved by the LANDLORD pursuant to Sub-section 15.1 (3)).

(b) The grant of non-exclusive rights of use contained in this Section, and of the non-exclusive rights reserved in Section 2.1, shall be subject to rules, regulations and limitations imposed by or pursuant to the provisions of Sections 4.4 and 8.3 of this Lease and to the limitation that no such rights shall be exercised by the TENANT or LANDLORD (as the case may be) in such a way as to constitute an abuse or misuse thereof, as to unreasonably interfere with or impair the exercise by others of equal non-exclusive rights or as is likely to injure or damage persons or property.

(c) All non-exclusive rights of use granted or reserved by this Lease, in addition to any other limitations provided hereby, shall be subject to such reasonable and temporary interferences or interruptions in connection with any repairing, supervising or maintaining or other exercise or performance of any privilege

or obligation pursuant to this Lease provided that the same shall be done in such a manner as to cause as little disturbance of the exercise of such non-exclusive rights as may be practicable under the circumstances then existing and that the provisions of Sections 16.3 and 16.4, where applicable, shall be complied with. Such interference or interruption shall be deemed not to be in derogation of the grant or reservation of such rights of use.

(d) The LANDLORD shall have the right from time to time to alter COMMON FACILITIES other than the SIMPSONS PARKING FACILITIES and the TENANT shall have the right to alter the SIMPSONS PARKING FACILITIES, but subject in each case to the provisions of Articles XV, XVI and XVII. In the event that COMMON FACILITIES shall be altered, the rights and obligations applicable to COMMON FACILITIES under this Lease shall be deemed to extend to the COMMON FACILITIES as altered, and the parties hereto shall execute such further agreements or assurances as may reasonably be required to secure the extension of such rights and obligations and to extinguish such rights and obligations as formerly existed to the extent appropriate.

Section 2.3 If the TENANT so requests, the TENANT will have the right and license to use the SIMPSONS OUTDOOR SELLING AREA from time to time for an outdoor selling area to be used in connection with the business carried on by the TENANT in the SIMPSONS BUILDING. The SIMPSONS OUTDOOR SELLING AREA shall consist of up to 10,000 square feet of outdoor space on the SIMPSONS LAND in a reasonably compact area in the vicinity of the SIMPSONS BUILDING in a location to be designated from time to time by the TENANT (such location to be northwest of a line drawn through the MALL storefront elevation of the SIMPSONS BUILDING, and to be such as to minimize to the extent reasonably possible interference with the use of the SIMPSONS PARKING FACILITIES and to be subject to the LANDLORD'S approval, which shall not be unreasonably withheld); provided that any such use shall be a seasonal use limited to the period from April 1st to October 30th in each year and shall continue only if and so long as such space can be so used without resulting in a breach of the requirements of the Borough of

Scarborough, or any other governmental authority having jurisdiction, including requirements relating to parking on the SITE. The LANDLORD may permit EATONS to make a like use of an outdoor selling area of up to 15,000 square feet of outdoor space on the LANDLORDS LAND, and the tenant of any third department store building erected as provided in Section 16.1 to make a like use of an outdoor selling area of up to 10,000 square feet of outdoor space on the LANDLORDS LAND in the vicinity of such third department store building, in each case subject to the like restrictions and conditions. Such use by the TENANT of the SIMPSONS OUTDOOR SELLING AREA and by EATONS or the tenant of any such third department store building of any such other outdoor selling area shall be deemed not to be prevented by or to infringe the LANDLORD'S grant to the TENANT of certain rights of use in respect of the LANDLORDS PARKING FACILITIES or the LANDLORD'S reservation of certain rights of use in respect to the SIMPSONS PARKING FACILITIES pursuant to Section 2.1, and any reduction of the number of PARKING SPACES required to be provided pursuant to Article XVII caused by such use shall be deemed not to be a breach of the provisions of Article XVII unless such reduction shall result in a breach of the requirements of any municipal or governmental authority. The TENANT may erect and maintain (but shall keep in good repair) minor structures, including fences, awnings and lighting fixtures, on the SIMPSONS OUTDOOR SELLING AREA so long as it is used by the TENANT, and the LANDLORD may permit the erection and maintenance by EATONS and the tenant of any third department store building of similar structures on their respective outdoor selling areas. The TENANT shall pay no rental for the use of the SIMPSONS OUTDOOR SELLING AREA pursuant to this Section 2.3, but will pay any business or other taxes which may be levied against the TENANT in respect of such use, and will reimburse to the LANDLORD the amount of all expenses incurred by the LANDLORD which are directly consequent upon such use, including without limiting the generality of the foregoing, any additional expense which the LANDLORD shall incur in the maintenance of the SIMPSONS OUTDOOR SELLING AREA as a result of such use, any additional taxes which

20

shall be levied against the LANDLORD in respect of the SIMPSONS OUTDOOR SELLING AREA as a result of such use, and any expense incurred by the LANDLORD in restoring the SIMPSONS OUTDOOR SELLING AREA to its condition prior to such use on the cessation of each period of use thereof by the TENANT.

Section 2.4 The LANDLORD covenants with the TENANT that it will allocate a part or parts of the PARKING FACILITIES (and which the TENANT agrees may include a portion of the SIMPSONS PARKING FACILITIES) for the use of all CONCESSIONAIRES of the CENTRE and their officers, agents and employees, provided that the allocation of such part or parts of the PARKING FACILITIES shall be made in such manner as shall, insofar as reasonably possible, preserve a reasonable balance of utility and advantage, and of disadvantage, if any, of such part or parts so allocated in relation to all parts of the CENTRE including the SIMPSONS BUILDING.

Section 2.5 The TENANT covenants and agrees with the LANDLORD to construct and pay for, all in accordance with the CONSTRUCTION AGREEMENT, the SIMPSONS BUILDING (including those portions of the utilities necessary to service the SIMPSONS BUILDING which are within three (3) feet of the SIMPSONS BUILDING) and those portions of the COMMON FACILITIES which consist of the sidewalks, landscaping and associated improvements immediately adjacent to the SIMPSONS BUILDING, and to carry out and comply with all the covenants and agreements of the TENANT contained in the CONSTRUCTION AGREEMENT. 2 /

Section 2.6 The LANDLORD covenants and agrees with the TENANT to design and construct the SIMPSONS PARKING FACILITIES on behalf of the TENANT and for the TENANT'S account, all in accordance with the CONSTRUCTION AGREEMENT, and to design and construct or cause to be designed and constructed in accordance with the CONSTRUCTION AGREEMENT all buildings and improvements in the CENTRE other than the SIMPSONS BUILDING and the

other improvements to be constructed by the TENANT and referred to in Section 2.5, and to carry out and comply with all of the covenants and agreements of the LANDLORD contained in the CONSTRUCTION AGREEMENT.

Section 2.7 The TENANT hereby grants to the LANDLORD, its contractors, agents and employees, the right and licence to enter upon the SIMPSONS LAND to construct the SIMPSONS PARKING FACILITIES. The LANDLORD hereby grants to the TENANT, its contractors, agents and employees, the right and licence to enter upon the LANDLORDS LAND for the purpose of reasonable access to the site of the SIMPSONS BUILDING and the other improvements to be constructed by the TENANT for the purpose of constructing them. The LANDLORD, its architects, agents and employees shall have the right to enter upon or into the SIMPSONS LAND and the structures thereon at any and all reasonable times during the course of construction of the SIMPSONS BUILDING for the purpose of inspecting and ascertaining whether such work conforms with the approved drawings and specifications and with the stipulations therein contained. The TENANT, its architects, agents and employees shall have the right to enter upon or into the SITE and the structures thereon at any and all reasonable times during the course of construction of the CENTRE for the purpose of inspecting and ascertaining whether such work conforms with the approved drawings and specifications and with the stipulations therein contained.

22

ARTICLE IIITERM, EXTENSIONS OF TERM AND RENT

Section 3.1 To have and to hold the SIMPSONS LAND for and during the original term commencing on the 17th day of July, 1972 and expiring on the 1st day of May, 2008 (being thirty-five (35) years after the OPENING DATE).

Section 3.2 The TENANT shall have the following rights to extend the term of this Lease:

(1) the rights to extend the term of this Lease for six (6) additional and consecutive periods, each of ten (10) years, commencing in the case of the first of such periods of extension upon the expiry of the original term referred to in Section 3.1, and in the case of each of the five (5) such periods of extension succeeding thereafter upon the expiration of the immediately preceding period of extension under this subclause (1); and

(2) the right to extend the term of this Lease for a final consecutive period of extension which commences upon the expiration of the last period of extension provided for by subclause (1) and expires upon the earlier of five (5) years after its commencement or the date which is the day preceding the expiration (by effluxion of time only) of the term of the GROUND LEASE. 23

Each such right of extension shall be deemed to have been exercised, automatically and without any requirement that notice of exercise shall have been given, unless notice in writing that the TENANT elects not to exercise such right of extension shall have been given by the TENANT to the LANDLORD not later than the date which is twelve (12) months prior to the expiration of the original term referred to in Section 3.1, in the case of an election not to exercise the first right to extend the term referred to in subclause (1), or prior to the expiration of the then current period of extension, in the case of an election not to exercise any subsequent right of extension pursuant to subclauses (1) and (2); provided that no such right of extension shall take effect if prior to the time at which it would otherwise have been

deemed to have been exercised, this Lease shall have been terminated or forfeited pursuant to any provision hereof or the TBRM shall have expired because of the non-exercise of any previous right of extension upon which each subsequent consecutive right of extension depends, or if, at the time at which it would otherwise have been deemed to have been exercised, there shall be any substantial default of the TENANT hereunder which has either not been remedied or is not in the course of being remedied with all reasonable diligence by the TENANT after receipt of a written notice from the LANDLORD specifying such default. Each period of extension of the term of this Lease pursuant to this Section 3.2 shall be on all the same terms and conditions as are set out in this Lease, except that there shall be no right to extend the term beyond the seven (7) consecutive periods of extension provided for in this Section 3.2, and the rent payable by the TENANT under this Lease during the respective periods of extension as aforesaid shall be as provided in the SIMPSONS RENT AGREEMENT.

Section 3.3 Yielding and paying therefor unto the LANDLORD, its successors and assigns, commencing from the OPENING DATE and thereafter during the TERM, without any deduction or abatement whatsoever, in lawful money of Canada, the prepaid rent and annual rent provided under the terms of the SIMPSONS RENT AGREEMENT, such prepaid rent to be paid at the times provided for payment thereof by the SIMPSONS RENT AGREEMENT, and such annual rent to be paid by instalments as follows: the first instalment shall be paid on OPENING DATE, and the amount thereof shall be that fraction of the then applicable annual rent which the number of days from OPENING DATE to June 30, 1973 is of 365 days; thereafter instalments of annual rent shall be paid quarterly in advance upon the first days of January, April, July and October in each year throughout the TERM commencing upon July 1, 1973, and the amount of each such quarterly instalment shall be one-quarter of the annual rent (but with the appropriate reduction of the last instalment to be paid prior to the end of the TERM with respect to the broken quarter

occurring at the end of the TERM, so that the amount of such last instalment shall be that fraction of the then applicable annual rent which the number of days in such broken quarter is of 365).

Section 3.4 In case the TENANT shall, without objection by the LANDLORD, continue as an overholding tenant of the DEMISED PREMISES after the expiry of the TERM, without having entered into any written agreement as to such tenancy, the TENANT shall in that event become and be a yearly tenant only (terminable by either party at the end of any year on six (6) months' prior written notice) subject as far as applicable to a yearly tenancy to the covenants, provisos and conditions of this Lease, and at a yearly rental from time to time during such yearly tenancy equivalent to the annual rental which was payable immediately preceding such overholding, payable by instalments in advance in the manner provided in Section 3.3.

25-

ARTICLE IVTENANT'S COVENANTSSection 4.1 The TENANT covenants with the LANDLORD:

(i) Commencing upon the OPENING DATE and thereafter during the TERM to pay rent and to pay water, gas, electric light and electric power rates and all rates for other utilities and services which may become payable with respect to the SIMPSONS BUILDING;

(ii) Commencing upon the OPENING DATE and thereafter during the TERM to pay all taxes, rates, duties and assessments whatsoever, whether municipal, parliamentary or otherwise, charged, assessed or levied in respect of the SIMPSONS BUILDING and on that portion of the SIMPSONS LAND that is occupied by the SIMPSONS BUILDING, and all other taxes, rates, duties and assessments which are a lien or a charge thereon or default in payment of which would subject the LANDLORD to liability therefor or the SIMPSONS LAND or the SIMPSONS BUILDING or any part thereof to forfeiture or sale; but excluding any tax, rate, duty or assessment charged, assessed or levied, upon or payable in respect of the LANDLORD'S income or capital or which is charged, assessed or levied against the LANDLORD in respect of any place of business or business of the LANDLORD under The Corporations Tax Act (Ontario) or any successor thereto or any other statute similar thereto; and further that should the TENANT neglect or omit to pay any of the said taxes, rates, duties or assessments, the LANDLORD may (but shall not be bound to) pay the same, in which event the TENANT shall reimburse the LANDLORD forthwith on demand and the LANDLORD shall thereupon have the same remedies in respect of any moneys so paid and may take the same steps for recovery thereof from the TENANT as in the case of rent owing and in arrears hereunder. 26

(iii) That subject to Section 11.2 the TENANT shall at all times during the TERM maintain in good condition and repair, as set out in Section 19.11, howsoever repairs are necessitated and whether they are structural or non-structural, the SIMPSONS BUILDING and all structures and improvements from time to time

placed by the TENANT on the SIMPSONS OUTDOOR SELLING AREA; and in case the TENANT shall at any time or times fail to perform any of its covenants contained in this Section 4.1(iii) the LANDLORD may (but shall not be bound to) enter on the SIMPSONS BUILDING and SIMPSONS OUTDOOR SELLING AREA and perform the obligations that the TENANT has failed to perform (but in so doing will do so in a reasonable manner and, where feasible, only on reasonable prior notice to the TENANT, and so as not to interfere unreasonably with the conduct of the TENANT'S business in all the circumstances, and will indemnify the TENANT against any negligence of the LANDLORD and its contractors and employees in so doing), in which event the TENANT shall reimburse the LANDLORD forthwith upon demand any moneys paid or expended in performing the duties that the TENANT has failed to perform and the LANDLORD shall thereupon have the same remedies in respect thereof and may take the same steps for the recovery thereof from the TENANT as in the case of rent owing and in arrears hereunder; provided that the repair of structural elements which are common to the SIMPSONS BUILDING on the one hand and either or both of the LANDLORD'S BUILDINGS or COMMON FACILITIES on the other hand shall be conducted by the LANDLORD and the TENANT jointly, in the absence of agreement between them as to which of them shall repair, and the cost of such repair shall be borne between them in proportion to the degree of support or other use which is derived from such structural elements by the buildings or structures to which they are common as aforesaid, such proportion (if not otherwise agreed) to be determined by a structural engineer to be appointed for the purpose by the parties, who will act jointly and reasonably in making such appointment; and

(iv) That subject to the proviso hereinafter contained in this subclause (iv), the TENANT will not assign this Lease or make or permit to be made any lease (which expression wherever used in this subclause 4.1(iv) includes any sublease, license, sublicense, concession or other arrangement whereby any person, firm or corporation other than the TENANT acquires any right to occupy, use or carry on business in any space, whether made by the TENANT or by anyone whose interest is, directly or indirectly, derived from, through or under the TENANT) of the whole or any part of the SIMPSONS BUILDING

or the SIMPSONS OUTDOOR SELLING AREA without the written consent of the LANDLORD, which consent may (notwithstanding any statutory provision from time to time in effect respecting the unreasonable or arbitrary withholding of such consent) be unreasonably withheld. Provided however, that:

(a) the consent of the LANDLORD will not at any time be required to:

- (1) assignments of this Lease and leases of the whole or any part of the SIMPSONS BUILDING or the SIMPSONS OUTDOOR SELLING AREA made between any of Simpsons, Limited and other companies which are or are about to become AFFILIATES of Simpsons, Limited provided that any such assignment or lease shall have effect only provided and so long as the assignee or recipient of the right of use or occupancy to be conferred by the lease shall be or become, and shall remain, such an AFFILIATE;
- (2) assignments of this Lease made by the TENANT to any company which may have acquired or which shall within a reasonable time after such assignment is made acquire the majority of the comparable department stores which shall then be operated by the TENANT and its AFFILIATES within fifty (50) miles of the SITE; 28
- (3) assignments or leases made by way of mortgage only by any company named or referred to in either or both of paragraphs (1) and (2) of this subclause 4.1 (iv) (a); and
- (4) leases of portions of the SIMPSONS BUILDING or of the whole or portions of the SIMPSONS OUTDOOR SELLING AREA, provided that the total area of the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA which may be leased pursuant to this provision under all of such leases at any time in effect shall not exceed in the aggregate 35% of the total of the NET FLOOR AREA of the SIMPSONS BUILDING and the area of the SIMPSONS OUTDOOR SELLING AREA, and provided that the business conducted in the SIMPSONS BUILDING and on the SIMPSONS OUTDOOR SELLING AREA shall continue to be, and shall retain the appearance of being, an integrated retail department store operation operated

by the TENANT, or if this Lease has been assigned or the whole of the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA has been leased to an AFFILIATE of Simpsons, Limited pursuant to paragraph (1) of this subclause 4.1 (iv) (a), operated by such AFFILIATE;

(but nevertheless the TENANT shall inform the LANDLORD in writing of any assignment or lease which shall have been made pursuant to this subclause 4.1 (iv) (a) whenever such information shall be requested); and

(b) the consent of the LANDLORD will be required, but shall not be unreasonably withheld by the LANDLORD, to assignments of this Lease or leases of the whole of the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA and which are to be made by the TENANT after the expiration of the original term referred to in Section 3.1, and to an established operator of integrated retail department stores not unlike that then operated by the TENANT in the SIMPSONS BUILDING; but such consent shall be deemed not to be unreasonably withheld if the LANDLORD shall not have received from the TENANT full particulars relevant to the proposed assignment or leasing and the identity, reputation, experience and financial position of the proposed assignee or lessee and, after receipt by the LANDLORD of all such particulars, shall be deemed not to be unreasonably withheld if the LANDLORD, acting reasonably and in good faith, shall not then be fully satisfied that the proposed assignee or lessee is of a good reputation in the industry, has substantial and successful experience in the operation of integrated retail department stores and is in a financial position such that there is no reasonable grounds to foresee that all of the obligations of the TENANT under this Lease will not be fully performed and satisfied by such assignee or lessee during the balance of the TERM, and that the introduction of such assignee or lessee as an occupant of the SIMPSONS BUILDING will not be adverse in any significant respect to the foreseeable best interest of the CENTRE.

In the event of any such assignment or lease, Simpsons, Limited guarantees the observance and performance of all of the provisions, covenants and agreements contained in this Lease

on the part of the TENANT to be observed and performed; except that in the event of an assignment of this Lease:

- (1) made pursuant to subclause 4.1 (iv) (a) (2) to an assignee who has assumed all the obligations of the TENANT as required hereunder, who is of good business reputation and whose financial standing is such that the assignee is then in a position to borrow substantial amounts of money at arm's length and on a long term basis on terms not less favourable than could Simpsons, Limited then borrow, or
- (2) made with the consent of the LANDLORD pursuant to subclause 4.1 (iv) (b),

the LANDLORD shall if Simpsons, Limited shall so request release Simpsons, Limited from all further liability under this Lease. In the event of any such assignment the assignee (except an assignee under an assignment made by way of mortgage only pursuant to subclause 4.1 (iv) (3)) shall covenant with the LANDLORD to assume all obligations of the TENANT under the said provisions, covenants and agreements; and

30

(v) it will not carry on any merchandising activity in any space on the roof of the SIMPSONS BUILDING without the consent of the LANDLORD, which consent shall not be unreasonably withheld, but may in any event be withheld if the conduct of such activity would breach any by-law or other legal requirement (including any agreements with any municipality by which the LANDLORD is bound), or would require any additional PARKING FACILITIES to be provided (unless provided by and at the expense of the TENANT and in a manner reasonably satisfactory to the LANDLORD).

Section 4.2 The TENANT covenants with the LANDLORD, except during the making of repairs, to heat, ventilate and air-condition the SIMPSONS BUILDING (except if and to the extent any portion thereof is not designed to be heated, ventilated or air-conditioned as the case may be) during the hours when it is open for business and whenever heating, ventilating or air-conditioning is reasonably required and in accordance with

good standards of operation and so as to maintain reasonable standards of comfort therein. If any such repairs are foreseeable or if the making thereof might result in any undue interruption in such heating, ventilating or air-conditioning, then whenever reasonably practicable, the same shall be made at times when either the MALL or the SIMPSONS BUILDING is closed.

Section 4.3 The TENANT covenants that it will continuously, actively and diligently, commencing upon the OPENING DATE and thereafter throughout the TERM, carry on or conduct or cause to be carried on or conducted an integrated retail department store operation in the SIMPSONS BUILDING, and on the SIMPSONS OUTDOOR SELLING AREA while and to the extent used by the TENANT; and that (subject to applicable by-laws and regulatory requirements) the SIMPSONS BUILDING shall be and remain open for the conduct of business with the public at least during a minimum of forty hours in each week except when there are any statutory holidays in such week or during the minimum number of hours of business during such week observed by a majority of the other comparable department stores of the TENANT and 31 its AFFILIATES in suburban regional shopping centres in the Metropolitan Toronto area (whichever is the greater number of hours), but in any event the SIMPSONS BUILDING shall be and remain open for the conduct of business with the public during those actual hours during such week when the department store operated by Simpsons, Limited or its AFFILIATE at Cedarbrae Plaza, Scarborough, is open for business, so long as such department store has substantially its present character and is operated by the TENANT or its AFFILIATE; provided notwithstanding the foregoing that the TENANT shall not be required to have the SIMPSONS BUILDING open for business when there is not a substantial portion of the CENTRE open for business. The TENANT further covenants that the dominant word in the name under which shall be carried on such integrated retail department store operation in the SIMPSONS BUILDING, and on the SIMPSONS OUTDOOR RETAIL AREA while and to the extent used by the TENANT, shall be the

same as the dominant word in the name used from time to time with respect to the retail merchandising operations which are carried on by Simpsons, Limited or its successor or assignee, as the case may be (whichever of them is then the TENANT) and its AFFILIATES in a majority of the comparable department stores operated by them within fifty (50) miles of the SITE; and that in no event shall the TENANT use the whole or any part of the SIMPSONS BUILDING or the SIMPSONS OUTDOOR RETAIL AREA for a retail food supermarket or for the sale of food or food products other than:

(i) restaurants and snack bars and other sale of prepared food for food products intended for immediate consumption either on the premises or by way of take-out or delivery for immediate consumption;

(ii) sales of confectionery items as normally sold from confectionery counters;

(iii) sales of health food items;

(iv) sales of liquor, beer and wine; and

(v) the sale of gourmet foods and bakery products from a floor area not exceeding the greater of five percent (5%) of the GROSS FLOOR AREA of the SIMPSONS BUILDING or a proportion of the GROSS FLOOR AREA of the SIMPSONS BUILDING equal to the proportion of the GROSS FLOOR AREA of department stores of comparable size in comparable markets which is devoted to such sales.

Such carrying on and conducting of an integrated retail department store operation hereby required shall be subject to such reasonable interruptions as may be incidental to the conduct of similar businesses and total or partial stoppages made reasonably necessary because of construction, alterations, improvements or repairs (in addition to UNAVOIDABLE DELAYS).

32

Section 4.4 The TENANT covenants with the LANDLORD that commencing upon the OPENING DATE and thereafter during the TERM it and its employees, servants and agents will observe and perform the following rules and regulations:

(1) The TENANT shall not carry any stock of goods or perform any acts or carry on any practices in or about the SIMPSONS BUILDING or the SIMPSONS OUTDOOR SELLING AREA which may be a nuisance or menace to other tenants in the CENTRE, and shall keep the interior of the SIMPSONS BUILDING, and the SIMPSONS OUTDOOR SELLING AREA while used by the TENANT, reasonably clean and free from rubbish and dirt at all times, and shall store all trash and garbage within the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA and arrange for the regular removal thereof. Unless expressly set out herein, or otherwise expressly agreed or permitted by the LANDLORD, and without limiting the generality of the foregoing, the TENANT shall not keep or display any merchandise anywhere in the CENTRE other than in the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA, or obstruct any COMMON FACILITY. 33

(ii) The TENANT shall not display upon or above the exterior of the SIMPSONS BUILDING or on the SIMPSONS OUTDOOR SELLING AREA (including both the interior and exterior glass surfaces of exterior windows and doors) any sign, lettering or advertising medium, except any sign or lettering similar to any used by the TENANT and its AFFILIATES in connection with a majority of the comparable department stores which shall then be operated by them within fifty (50) miles of the SITE and any outdoor selling areas which shall then be operated by them in conjunction therewith, if and to the extent reasonably compatible with the architectural harmony and esthetics of the CENTRE, and except for any other signs, symbols or advertisements from time to time permitted by the LANDLORD'S rules and regulations pertaining to signs; provided that the foregoing shall not prevent the display of identification signs upon the SIMPSONS BUILDING as contemplated by the

plans therefor which have been approved by the LANDLORD pursuant to the CONSTRUCTION AGREEMENT. Except for any exterior lighting, shades, awnings, or exterior decorations or fences used by the TENANT and its AFFILIATES in connection with such other department stores and outdoor selling areas operated by them as aforesaid, if and to the extent reasonably compatible with architectural harmony and esthetics of the CENTRE, or which are from time to time permitted by the LANDLORD'S rules and regulations, the TENANT shall not, without obtaining the prior written consent of the LANDLORD, which consent shall not be unreasonably withheld, install any exterior lighting fixtures, shades or awnings or any exterior decorations or build any fences, or install loudspeakers, sound amplifiers, or similar devices on the roof or the exterior walls of the SIMPSONS BUILDING or on the SIMPSONS OUTDOOR SELLING AREA.

34
(iii) The TENANT will, to the extent that it can reasonably be expected to exercise control over suppliers and others, make or take delivery and allow suppliers or others to make or take delivery of supplies, fixtures, equipment, furnishings, wares and merchandise to or from the SIMPSONS BUILDING only through the facilities in the SIMPSONS BUILDING intended for such purpose, except for deliveries directly to or from the SIMPSONS BUILDING which are capable of being made or taken without any unreasonable interference with the use of any of the COMMON FACILITIES or are required by reason of circumstances of emergency or necessity. The TENANT shall not at any time park its trucks or other delivery vehicles or, to the extent that it can reasonably be expected to exercise control over suppliers or others making deliveries to or receiving shipments from the SIMPSONS BUILDING or the SIMPSONS OUTDOOR SELLING AREA, allow trucks or other delivery vehicles of such suppliers or others, to be parked in any of the PARKING FACILITIES, provided that this shall not apply to the reasonable use of the PARKING FACILITIES by trucks which are engaged in servicing the SIMPSONS BUILDING or the SIMPSONS OUTDOOR SELLING

AREA. If adequate part or parts of the PARKING FACILITIES are allocated by the LANDLORD for the use of tenants and their employees, the TENANT will not park and will use its best efforts to prevent its employees from parking any vehicles in the PARKING FACILITIES except in such part or parts as are so allocated.

(iv) Such further reasonable rules and regulations not contrary to any provision of this lease as the LANDLORD shall from time to time prescribe by giving the TENANT written notice of the same, provided any such further rules and regulations shall be uniformly applicable to and generally enforced against the other tenants in the CENTRE.

Section 4.5 Subject to Article XVII and to Section 19.2, the TENANT covenants with the LANDLORD to observe and fulfil the lawful provisions and requirements of all statutes, orders-in-council, by-laws, rules and regulations (whether federal, provincial or municipal) relating to the use of the SIMPSONS BUILDING and SIMPSONS OUTDOOR SELLING AREA.

Section 4.6 The TENANT covenants with the LANDLORD to be a member of the merchants' association of the CENTRE referred to in Section 5.7 if and so long as:

(a) EATONS is a member;

(b) the constitution of such merchants' association shall provide that the LANDLORD and (while members) the TENANT and EATONS shall be entitled to representation on its board of directors; and

(c) the TENANT shall not be required to pay annual contributions in excess of those which it has agreed to pay in this Section 4.6.

While a member the TENANT shall pay annual contributions to such merchants' association equal to the lesser of:

(i) that amount which bears the same relationship to the annual dues and assessments paid to such merchants' association by EATONS which the NET FLOOR AREA of the SIMPSONS BUILDING bears to the NET FLOOR AREA of the EATONS BUILDING, and

4-11

(ii) that amount which equals the NET FLOOR AREA (in square feet) of the SIMPSONS BUILDING multiplied by 15¢ multiplied by the greater of (1) unity and (2) the ratio, determined annually, of the Current Consumer Price Index for Metropolitan Toronto issued by Statistics Canada from time to time to such Index in the first year of the TERM.

36

ARTICLE VLANDLORD'S COVENANTSSection 5.1 The LANDLORD covenants with the TENANT:

- (a) for quiet enjoyment, and
- (b) to comply with all its obligations under, and keep in good standing, the GROUND LEASE.

Section 5.2 The LANDLORD covenants with the TENANT, commencing upon the OPENING DATE and thereafter during the TERM:

- (i) To use its reasonable efforts to have all CONCESSIONAIRES (except the TENANT, which shall be governed by Section 4.3) of RETAIL SPACE in the CENTRE open for business during such minimum hours of business as may be agreed between any two of the LANDLORD, the TENANT and BATONS, and failing such agreement during those minimum hours of business which are normally observed by regional shopping centres of a size comparable to the CENTRE and within fifty (50) miles of the SITH, and 37
- (ii) Except during the making of repairs, to heat, ventilate and air-condition the MALL and other portions of the COMMON FACILITIES which are enclosed and designed to be heated, ventilated and air-conditioned, whenever heating, ventilation and air-conditioning is reasonably required and in accordance with good standards of operation and so as to maintain reasonable standards of comfort therein, and to adequately light the MALL, in each case during at least those hours when the SIMPSONS BUILDING is open for business, and to light the PARKING FACILITIES during at least the hours, on days when the SIMPSONS BUILDING is open for business, from one-half hour before the later of sunset or the opening of the SIMPSONS BUILDING, until one-half hour after the earlier of sunrise or the close of the SIMPSONS BUILDING for business; provided that if and whenever the SIMPSONS BUILDING is to be open for business during any hours which are not within the hours of business for the CENTRE established under paragraph 5.2 (i) the TENANT

shall have given reasonable prior notice to the LANDLORD; and provided further that if and whenever the SIMPSONS-BUILDING shall be open for business outside of the hours of business for the CENTRE established under paragraph 5.2(i) the LANDLORD may require the TENANT to reimburse to the LANDLORD the additional cost (or an equitable part thereof, if any other CONCESSIONAIRES shall have similarly remained open for business) incurred by the LANDLORD in operating the COMMON FACILITIES during the extra hours involved. Should the system for heating, ventilating and air-conditioning the MALL and other portion of the COMMON FACILITIES which are enclosed and designed to be heated, ventilated and air-conditioned break down or not function properly for any cause other than the gross neglect by the LANDLORD of its repair obligations hereunder, the LANDLORD shall not be liable for indirect or consequential damage or damages for personal discomfort or illness caused thereby, and if any repairs which would interfere with such heating, ventilating and air-conditioning are foreseeable and if the making thereof might result in any significant discomfort to customers or employees, then the same shall be made by the LANDLORD on notice to the TENANT, and whenever reasonably possible at times when the MALL is normally closed. 38

Section 5.3 The LANDLORD covenants with the TENANT that, except for taxes and other payments payable by the TENANT pursuant to Section 4.1(ii), it will pay or cause to be paid all taxes, rates, duties and assessments whatsoever, whether municipal, parliamentary or otherwise, charged, assessed or levied in respect of the CENTRE or any part thereof which constitute a lien or charge upon the CENTRE or any part thereof (other than upon the interest of the tenant under any lease) or default in payment of which would subject the TENANT to liability therefor or the CENTRE or any part thereof (other than the interest of any such tenant) to forfeiture or sale.

Section 5.4 The LANDLORD covenants with the TENANT that it will not grant to any person, firm or corporation, other than

tenants of buildings or parts of buildings erected on the SITE for use by them and their CONCESSIONAIRES and their officers, agents and employees and for the use of their respective customers (only for the purpose of enabling such customers to shop or while such customers are shopping in any portion of the CENTRE) and for use by all persons having business with such tenants and their CONCESSIONAIRES (in connection with such business), any right to park in any of the PARKING FACILITIES or any right to use any of the other COMMON FACILITIES (except that the LANDLORD may permit merchandising and promotional activities therein to the extent expressly contemplated or permitted by this Lease); and that the LANDLORD will use its best efforts to prevent any of the COMMON FACILITIES from being used by any person, firm or corporation other than those entitled thereto under any grants by the LANDLORD complying with this Section 5.4 and the employees, agents or workmen of the LANDLORD or any persons having business with the LANDLORD (in connection with such business), and except as above provided, and will take such proceedings against any such person, firm or corporation as the TENANT may reasonably require. The TENANT covenants with the LANDLORD that it will not grant to any person, firm or corporation any right which will authorize the use of the SIMPSONS PARKING FACILITIES by anyone other than the LANDLORD and the TENANT and their respective CONCESSIONAIRES and their officers, agents, employees, customers and those having business with them as contemplated herein.

Section 5.5 The LANDLORD covenants with the TENANT: 39

(a) That it will not make any sale of or otherwise transfer any interest in the SITE (other than by way of leases not in contravention of Article VII or by way of mortgage, charge or other encumbrance by way of security) unless such interest extends to the whole of the SITE and unless the proposed transferee of such interest shall have entered into an agreement with the TENANT under which such transferee covenants that, so long as it retains any interest in the SITE, it will perform the obligations of the LANDLORD hereunder and be bound by all the provisions of this Lease, including this provision as to sale or transfer,

which shall apply to each and every subsequent sale or transfer of any interest in the SITE; provided that this clause (a) shall not apply to transfers to municipalities, public authorities or public utilities for slopes, poles, wires, pipes, transformers and like purposes, to which transfers the TENANT has consented, which consent shall not be unreasonably withheld;

(b) That it will not mortgage, charge or otherwise encumber by way of security the SITE:

(i) except as a whole unless with the prior consent of the TENANT, which consent shall not be withheld in cases where the rights of the TENANT under this Lease would not be jeopardized as a result of such consent,

(ii) unless such mortgage, charge or other encumbrance ⁴⁰ contains a covenant on the part of the Mortgagee not to take any step to enforce its rights against the SITE resulting from any default under such mortgage, charge or other encumbrances unless the Mortgagee has given notice of such default, and of the TENANTS opportunity to remedy such default, to the TENANT and the TENANT has failed to remedy such default within the period of 15 days after the receipt of such notice or such longer period after receipt of such notice as shall be reasonably required to remedy such default with due diligence (provided that if any such longer period shall be reasonably required to remedy such default as aforesaid the TENANT has notified such Mortgagee within such period of 15 days that it intends to remedy such default with due diligence) and such mortgage, charge or other encumbrance provides that the effect of any provision for acceleration of the payment of the principal sum or any part thereof in the event of such default shall be nullified if the TENANT remedies such default as if no such default had occurred, provided however that, subject to the foregoing provisions of this clause (ii) such nullification shall in no way extend to or be taken in any

manner whatever to affect any subsequent default or the rights resulting therefrom, and

(iii) unless such Mortgagee enters into an agreement with the TENANT to secure to the TENANT the rights to which the TENANT is entitled under the clause to be inserted in such mortgage, charge or other encumbrance pursuant to (ii) above; and

(c) That it will not mortgage, charge or otherwise encumber by way of security the SITE except on terms that this Lease shall have priority over such mortgage, charge or encumbrance by way of security.

Section 5.6 The LANDLORD covenants with the TENANT that it will maintain a management office in one of the buildings in the CENTRE which office shall be open during normal office hours, and shall have a person in charge who is authorized to make, on behalf of the LANDLORD, the decisions normally made by the manager of a regional shopping centre.

Section 5.7 The LANDLORD covenants with the TENANT to organize and promote a merchants' association comprising tenants of the CENTRE (and having as its principal objects the bringing of customers to the CENTRE, the creation of an atmosphere in the CENTRE which will encourage customers to return to the CENTRE, the encouraging of the members thereof to deal fairly and courteously with their customers, and to follow ethical business practices and, in particular, to advance the common interests of the members of the said association) and will use its best efforts to cause the maximum number of tenants of RETAIL SPACE in the CENTRE to become members in, participate fully in and remain in good standing as members of such merchants' association and abide by its contributions, by-laws and regulations. The LANDLORD shall, in addition to any amounts which shall be made available by it to the merchants' association pursuant to and for the purposes referred to in Section 9.2, pay annual contributions to such merchants' association at least equal to 25% of the aggregate annual contributions paid by all contributors to such merchants' association other than the LANDLORD so long as the TENANT is a member thereof.

Section 5.8 Commencing upon the OPENING DATE and thereafter during the TERM, the LANDLORD shall cause the CENTRE to be used and operated continuously, actively and diligently as a regional shopping centre, and in a manner which accords with good general practice as from time to time observed by prudent owners of Canadian regional shopping centres.

Section 5.9 Commencing upon the OPENING DATE and thereafter during the TERM, the LANDLORD shall operate, police and supervise or cause to be operated, policed and supervised the COMMON FACILITIES in a manner which accords with good general practice as from time to time observed by prudent owners of Canadian regional shopping centres. No rates or parking charges, by meter or otherwise, shall be imposed for use of the PARKING FACILITIES without the written consent of both the LANDLORD and the TENANT. All the COMMON FACILITIES shall be open and operated during all hours of business for the shopping centre established under paragraph 5.2 (i) and for a reasonable period before and after such hours, and in addition the MALL and such portions of the PARKING FACILITIES as may reasonably ⁴² be necessary shall be open and operated during any additional hours when the SIMPSONS BUILDING is open for business, subject to prior notice and to the reimbursement of certain additional costs therefor all as provided in paragraph 5.2 (ii).

Section 5.10 The TENANT grants to the LANDLORD the exclusive right (subject to the TENANT'S rights to remedy default of the LANDLORD pursuant to Section 14.1) to operate, police, supervise, regulate, repair and maintain the SIMPSONS PARKING FACILITIES and other COMMON FACILITIES on the SIMPSONS LAND and to do all acts and things therein and with respect thereto contemplated or permitted by this Lease and for the proper operation of the CENTRE, and no such act or thing so done by the LANDLORD shall be considered to be an interference with the TENANT'S right to possession of the SIMPSONS LAND subject to the provisions of this Lease or in derogation of the LANDLORD'S covenant for quiet possession.

Section 5.11 . Subject to Article XVII and to Section 19.2, the LANDLORD covenants with the TENANT to observe and fulfil or cause to be observed and fulfilled the lawful provisions and requirements of all statutes, orders-in-council, by-laws, rules and regulations (whether federal, provincial or municipal) relating to the use of all portions of the CENTRE other than the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA.

43

ARTICLE VIMAINTENANCE BY LANDLORD

Section 6.1 The LANDLORD covenants with the TENANT to keep the PARKING FACILITIES, MALL and DELIVERY FACILITIES in good condition and repair, as set out in Section 19.11, and well maintained, and without in any way limiting the generality of the foregoing, to remove when reasonably necessary snow, ice, papers, debris and refuse therefrom, wash or otherwise clean all walls, floors, ceilings and other interior surfaces when reasonably necessary, keep all landscaped portions of the PARKING FACILITIES maintained to high standards, provide and maintain in good condition and repair traffic and pedestrian directional and locational signs for the CENTRE in accordance with good general practice as from time to time observed by prudent owners of Canadian regional shopping centres (including those outside the SITE which are under the LANDLORD'S control), and provide and maintain in good condition and repair an adequate lighting system for the PARKING FACILITIES, MALL and DELIVERY FACILITIES, including the access roads in and the entrance to and exits from the CENTRE.

Section 6.2 The LANDLORD covenants with the TENANT to maintain in good condition and repair, as set out in Section 19.11:

- (i) the heating, ventilating and air-conditioning system used to heat, ventilate and air-condition the MALL and other portions of the COMMON FACILITIES which are enclosed and designed to be heated, ventilated and air-conditioned; and
- (ii) the ventilating and air handling equipment used to ventilate any portions of the DELIVERY FACILITIES and PARKING FACILITIES which are enclosed and designed to be ventilated.

Section 6.3 The LANDLORD covenants with the TENANT that (without expense to the TENANT except pursuant to Article XIII) it will at all times, maintain or cause to be maintained the COMMON UTILITIES in good condition and repair, as set out in Section 19.11 (including repairs, restoration and reconstruction

in the event of damage or destruction), all of such work to be done as expeditiously as possible and (in the case of underground utilities) in such manner as to cause as little disturbance of the free flow of pedestrian and vehicular traffic and the parking of vehicles as may be practicable under the circumstances then existing. If by reason of any such work the LANDLORD shall excavate or otherwise disturb the pavement or other improvements on any portion of the COMMON FACILITIES, or if such pavement or other improvement should become undermined or damaged as a result of such maintenance the LANDLORD shall give to the TENANT as much notice as possible of its intention to do any such work and settle with the TENANT the best time at which to begin the same. In the event that any of the COMMON UTILITIES shall be damaged as a result of any improper use by the TENANT then the TENANT shall pay to the LANDLORD the cost of making good such damage.

Section 6.4 The LANDLORD covenants with the TENANT that it will, from time to time throughout the TERM after the OPENING DATE, for the use of the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA:

- 45-
- (a) provide the TENANT with such utilities for the exclusive use and benefit of the TENANT (and being in addition to the COMMON UTILITIES provided for the use of the TENANT and others), and with such enlargements thereto, as the TENANT may request, if and to the extent such utilities are available to the LANDLORD and it is feasible to so provide or enlarge them, provided that the TENANT shall pay to the LANDLORD the cost of providing and enlarging the same (including both the cost of constructing, installing or enlarging them and the cost of maintaining them) and provided further that such additional utilities so provided and paid for shall not be used by any person, firm or corporation other than the TENANT or any occupant of the SIMPSONS BUILDING on the SIMPSONS OUTDOOR SELLING AREA except on terms approved by the TENANT;

- (b) make such enlargement of the capacity of any COMMON UTILITIES necessary to satisfy any increased use thereof by the TENANT, as the TENANT shall request, if and to the extent it is feasible to do so, provided that the TENANT shall pay, by way of prepaid rent to the LANDLORD an amount equal to the cost of making and maintaining any such enlargement to the extent that such enlargement was made to meet the increased use thereof by the TENANT, and
- (c) provide the TENANT with easements to enable the TENANT to obtain additional utilities for its own use (limited to underground pipes and conduits, and provided the same can be provided without interference with then existing and reasonably anticipated future construction on the SITE), provided that the TENANT shall pay the cost of installing, maintaining, and (if necessary to permit future construction) relocating such utilities and easements, and of making good all damage caused thereby, and that the TENANT shall keep such utilities in good condition and repair and in so doing shall observe the same requirements as are applicable to the repair of an underground utility by the LANDLORD pursuant to Section 6.3.

Section 6.5 The TENANT covenants with the LANDLORD that it will, from time to time throughout the TERM:

- (a) grant to the LANDLORD any necessary consent to enable the LANDLORD to obtain additional utilities (including COMMON UTILITIES) to serve any LANDLORDS BUILDINGS or COMMON FACILITIES through or across the SIMPSONS PARKING FACILITIES (limited to underground pipes and conduits, and provided the same can be provided without interference with then existing and reasonably anticipated future PARKING STRUCTURES on the SIMPSONS LAND), provided the LANDLORD shall pay the cost of installing such utilities (with contribution by the TENANT, if and to the extent such utilities are an enlargement of COMMON UTILITIES to meet the requirements of the TENANT pursuant to Section 6.4) and (if

necessary to permit future construction) relocating such utilities and of making good all damage caused thereby, and that the LANDLORD shall keep such utilities in good condition and repair and in so doing shall observe the same requirements as are applicable to the repair of an underground utility by the LANDLORD pursuant to Section 6.3, and that the LANDLORD shall pay the cost of maintaining such utilities (subject to the TENANT contributing in accordance with Article XIII, if and to the extent such utility is a COMMON UTILITY); and

(b) keep in good condition and repair any additional utilities (limited to underground pipes and conduits) which the TENANT may construct for its own use in the SIMPSONS LAND, and in so doing shall observe the same requirements as are applicable to the repair of an underground utility by the LANDLORD pursuant to Section 6.3.

47

ARTICLE VIIRESTRICTIONS ON LEASING TO OTHER TENANTS

Section 7.1 The LANDLORD agrees that no lease (which expression for the purposes of this Section 7.1 and Sections 7.2 and 7.3, includes any agreement to lease, license, concession or other agreement whereby any CONCESSIONAIRE acquires the right to use, occupy or carry on business in any space) of any RETAIL SPACE in the CENTRE shall be made without the prior consent in writing of the TENANT except in accordance with the following provisions, and then only subject to the provisions of Section 7.3:

- (i) This Section 7.1 shall not apply to the SIMPSONS LAND, SIMPSONS BUILDING or the SIMPSONS OUTDOOR SELLING AREA, or to the EATONS LAND, EATONS BUILDING or EATONS outdoor selling area;
- (ii) Subject to Section 7.3, the LANDLORD may lease any RETAIL SPACE for the type of business indicated for such space on the MERCHANDISING PLAN; and 4/8
- (iii) No lease of any RETAIL SPACE, other than a lease which is permitted by paragraphs (i) and (ii) of this Section 7.1 or by the terms of any general consent which the TENANT may from time to time see fit to give to the LANDLORD shall be given without the consent in writing of the TENANT. Such consent shall not be unreasonably withheld having regard to principles of good merchandising in a high quality regional shopping centre and considerations affecting the overall functions and quality of the CENTRE, but it shall be reasonable for the TENANT to withhold its consent to any proposed lease which contravenes any provision of this Lease. The TENANT shall promptly give such consent or advise the LANDLORD that it is being withheld and of the reasons for such withholding.

Section 7.2 The LANDLORD agrees that it will not, without the prior approval in writing of the TENANT, consent to any assignment of any CONCESSIONAIRE's interest in any lease from the LANDLORD of any RETAIL SPACE in the CENTRE (other than the SIMPSONS LAND, SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA, or the EATONS LAND, EATONS BUILDING and EATONS outdoor selling area) or to any sublease of

all or any portion of any such RETAIL SPACE, except in accordance with the following provisions, and then only subject to the provisions of Section 7.3:

- (i) The LANDLORD may consent to any assignment or sublease made by any CONCESSIONAIRE to any AFFILIATE of such CONCESSIONAIRE, and where there will be no change in the type of business to be conducted in the RETAIL SPACE occupied by such CONCESSIONAIRE or the trade name under which such business will be carried on, or made by any CONCESSIONAIRE by way of security only to a lender to secure any bona fide borrowing by such CONCESSIONAIRE in connection with its business;
- (ii) If such assignment or sublease restricts the use of such RETAIL SPACE either to the type of business indicated on the MERCHANDISING PLAN attached as Schedule D hereto for such RETAIL SPACE or to the same type of business as does the then existing lease of such RETAIL SPACE, the LANDLORD may consent thereto; and
- [iii] If such assignment or sublease is other than one which complies with paragraphs [i] or [ii] of this Section 7.2 or with the terms of any general consent which the TENANT may from time to time see fit to give to the LANDLORD, the LANDLORD will not consent thereto unless the TENANT approves of the LANDLORD giving such consent. Such approval shall not be unreasonably withheld having regard to principles of good merchandising in a high quality regional shopping centre and considerations affecting the overall function and quality of the CENTRE. Promptly after the receipt of such particulars the TENANT will either give such approval or will advise the LANDLORD of its intention to withhold such approval and the reasons for such withholding;

49

Provided that the LANDLORD shall not be prevented by any of the foregoing provisions from consenting to any assignment or sublease where the LANDLORD is not entitled by the provisions of any lease to a tenant to withhold such consent, if the provisions which

prevent such consent being withheld are either contained in a lease or an agreement to lease entered into by the LANDLORD prior to OPENING DATE or have been approved by the TENANT.

Section 7.3 The LANDLORD agrees that until the termination of this Lease or its assignment (other than by an assignment contemplated and permitted by clauses 4.1(iv)(1), (2) or (3)):

(a) No lease (other than to a tenant identified on the MERCHANDISING PLAN as being the intended tenant for a RETAIL SPACE at OPENING DATE) will be made or assignment or sublease consented to by the LANDLORD of any RETAIL SPACE included in the area outlined in red on the MERCHANDISING PLAN without the prior consent in writing of the TENANT, which consent may be unreasonably withheld.

(b) No lease (other than to a tenant identified on the MERCHANDISING PLAN as being the intended tenant for a RETAIL SPACE at OPENING DATE) will be made or assignment or sublease consented to by the LANDLORD of any RETAIL SPACE in the CENTRE which has a GROSS FLOOR AREA in excess of 25,000 square feet (other than the SIMPSONS BUILDING or the EATONS BUILDING) without the prior consent of the TENANT, which consent may be unreasonably withheld, provided that after the initial term of the first lease of such RETAIL SPACE, or after ten (10) years from OPENING DATE, whichever is the longer period, the TENANT'S consent shall not be unreasonably withheld. A factor in determining whether such consent is unreasonably withheld is whether the character of the CENTRE would be adversely affected. 5-0

Section 7.4 The LANDLORD may from time to time amend the MERCHANDISING PLAN by changing the types of business for which any RETAIL SPACE is to be used or by changing the size of the stores shown thereon, or extend the MERCHANDISING PLAN to include any RETAIL SPACE in any expansion of the LANDLORD'S BUILDINGS which is permitted by Section 16.1, provided always that the general character and balance of the CENTRE is not adversely affected; that the consent of the TENANT thereto is first obtained (such consent not to be unreasonably withheld having regard to good merchandising practice in a high-quality regional shopping

centre); that any MERCHANDISING PLAN applicable to any expansion of the LANDLORD'S BUILDINGS shall also include an area outlined in red, to which clause 7.3 (a) shall apply, and which shall unless otherwise agreed between the LANDLORD and the TENANT include all RETAIL SPACE which is within such expansion and within 100 feet of the SIMPSONS BUILDING; and that no change in the MERCHANDISING PLAN affecting RETAIL SPACE, whether in the LANDLORD'S BUILDINGS as originally constructed or as expanded, included within any area outlined in red thereon or affecting any RETAIL SPACE in the CENTRE which has a GROSS FLOOR AREA in excess of 25,000 square feet shall be made without the consent of the TENANT (such consent not to be unreasonably withheld except in the circumstances and to the extent that the TENANT is entitled to unreasonably withhold its consent to the making of any lease or assignment or sublease of such space pursuant to Section 7.3).

Section 7.5 5-1 The LANDLORD agrees that before entering into any lease or commitment to lease any RETAIL SPACE in the CENTRE (other than the SIMPSONS BUILDING, the SIMPSONS OUTDOOR SELLING AREA, the EATONS LAND, the EATONS BUILDING and the EATONS outdoor selling area) or consenting to any assignment or sublease by any CONCESSION-AIRE it will inform the TENANT and provide the TENANT with the relevant particulars, and that whenever from time to time requested by the TENANT it will provide such further particulars as to CONCESSION-AIRES and permitted uses of RETAIL SPACE in the CENTRE, including where applicable true copies of extracts of relevant portions of leases and assignments of leases, as the TENANT may properly request so as to enable the TENANT to be satisfied that the provisions of this Article VII and of Article VIII are being complied with.

Section 7.6 If the TENANT shall withhold any consent required under Section 7.1 to the making of any lease by the LANDLORD, any approval required under Section 7.2 to the giving of the LANDLORD'S consent to any assignment or sublease, any consent required under Section 7.3 to the LANDLORD making any lease or consenting to any assignment there referred to, or any consent required under Section 7.4 to the amendment of the MERCHANDISING

PLAN as contemplated or any approval required under Section 8.3 to the LANDLORD'S rules, regulations or amendments thereto, and if by the express terms of any of the Sections referred to such consent or approval is not to be unreasonably withheld having regard to the criteria mentioned therein, and if the LANDLORD shall be of the opinion that such consent or approval of the TENANT in all the circumstances ought to be given the LANDLORD, after giving the TENANT a reasonable opportunity to reconsider its decision if it wishes such opportunity to do so, may refer the matter in issue to an independent shopping centre consultant or firm of shopping centre consultants who shall be either agreed upon between the LANDLORD and the TENANT, or failing such agreement appointed upon application of either party by the President for the time being of the International Council of Shopping Centres or its successor organization, and the person or firm to whom such matter in issue has been referred shall, after hearing such representations as each of the parties shall desire to make, determine whether in all the circumstances, having regard to the criteria relevant to the giving or withholding of such consent or approval expressed in this Lease, such consent or approval ought to be ⁵² given, and shall also determine having regard to the reasonableness of the conduct of the parties and other equitable considerations how the costs of the determination is to be borne between the parties, and the parties agree to abide by such determination.

Section 7.7 If any office building or any other building intended primarily for non-retail use and which is permitted by Article XVI is constructed on the SITE, such building shall not be used for any retail operations, except such as are normally incidental to similar buildings when such buildings are a part of shopping centre developments which are comparable to the CENTRE and in locations comparable to the SITE, and which retail operations have been approved by the TENANT (such approval not to be unreasonably withheld).

ARTICLE VIIILEASES TO OTHER TENANTS

Section 8.1 The LANDLORD covenants with the TENANT as follows:

(i) That covenants and conditions substantially in the form of or substantially to the same effect as those set out in Subsection (b) of Section 6.1, Subsections (a), (b), (c), (f) and (g) of Section 6.2, Subsections (b) and (e) of Section 8.1, Section 11.1, Subsection (b) of Section 11.2 and Sections 15.4 and 15.7 of a standard form of lease in use by the LANDLORD for the initial leasing of the CENTRE and which the TENANT has approved will be contained in all leases of or agreements to lease any RETAIL SPACE (including land to be used in conjunction with any such RETAIL SPACE) in the CENTRE (other than the SIMPSONS LAND, the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA, and the EATONS LAND, the EATONS BUILDING and the EATONS outdoor selling area, and other than leases or agreements to lease entered into by the LANDLORD prior to OPENING DATE and of which the TENANT has approved); except that:

5-3

(1) if the TENANT shall at any time approve a different standard form of lease for use by the LANDLORD in leasing the CENTRE, this requirement shall be deemed to be complied with if a lease or agreement to lease contains covenants and conditions substantially in the form or substantially to the same effect as the covenants and conditions contained in such standard form of lease which correspond to those referred to above,

(2) if the tenant of any such RETAIL SPACE is a department store or a promotional or junior department store permitted under this Lease, such covenants and conditions may be appropriately amended to permit the use of such RETAIL SPACE for the permitted use,

(3) the LANDLORD may, in any case where it considers it necessary or appropriate to do so, provide in any

lease or agreement to lease (except a lease or agreement to lease pertaining to any RETAIL SPACE which is included in the area outlined in red on the MERCHANDISING PLAN or which has a GROSS FLOOR AREA in excess of 25,000 square feet) that the consent of the LANDLORD to any assignment, subletting or granting of concessions by the tenant thereunder shall not be unreasonably withheld, and

(4) the LANDLORD may permit the sale of second-hand goods in particular instances where it is reasonable and appropriate to do so (such as, for example, in the case of a permitted use which is an antique or fine art business, or a limited sale of traded-in items by a camera store or appliance store);

(ii) That there will be no provision in any of the said leases or agreements to lease which conflicts with any of the covenants and conditions required to be contained therein pursuant to paragraph (i); and

(iii) That the lease of the food market will contain a provision restricting the space in such food market which can be used for the sale of non-food merchandise to not more than twenty (20) per cent of the total space in such food market used for the sale of merchandise, or, if greater, to the proportion of non-food sales area to total sales area included in comparable food markets from time to time being operated by the food supermarket industry in Ontario.

Section 8.2 The LANDLORD will take all necessary proceedings for the purpose of enforcing the observance of all the covenants and conditions referred to in Section 8.1 to be so contained in the said leases and agreements to lease, and if under any lease or agreement to lease the observance of such covenants and conditions is not enforced to the satisfaction of the TENANT, the LANDLORD will, at the request of the TENANT take all necessary proceedings to enforce them and if necessary to procure forfeiture of such lease or agreement to lease; provided that if

the LANDLORD does not take such proceedings, the TENANT shall have the right to take such proceedings in the name of the LANDLORD and at the LANDLORD'S expense; and provided that nothing herein shall require or authorize the forfeiture of any such lease or agreement to lease for breach thereof where any mortgagee of the LANDLORD'S interest objects on reasonable grounds to such forfeiture.

Section 8.3 The LANDLORD will establish, and may from time to time amend, rules and regulations applicable to all buildings in the CENTRE with respect to the placing or maintaining of signs, symbols or advertisements on the exterior walls or roofs thereof (including both the interior and exterior glass surfaces of exterior windows and doors), which rules and regulations and amendments thereto shall be subject to the approval of the TENANT, which approval shall not be unreasonably withheld, and which approval or disapproval thereof shall be given within thirty (30) days after submission thereof to the TENANT. Three of the factors in determining whether the TENANT'S approval to any proposed rule, regulation or amendment thereof is reasonably withheld shall be whether such rule, regulation or amendment would adversely affect the general character of the CENTRE, unduly interfere with the TENANT'S method of operation or involve unnecessary cost to the TENANT. The LANDLORD will take all necessary proceedings for the purpose of enforcing the observance of all such rules and regulations. 55

Section 8.4 The LANDLORD covenants that it will not mortgage or otherwise encumber any lease or agreement to lease to any CONCESSIONAIRE of any portion of the CENTRE in such a way as to preclude the LANDLORD, while in possession of the CENTRE, from forfeiting such lease or agreement to lease for non-observance of any of the covenants and conditions required to be contained therein pursuant to Section 8.1.

ARTICLE IXRESTRICTION ON USE BY LANDLORD AND OTHERS

Section 9.1 The LANDLORD covenants that it will not carry on, consent to anyone carrying on or authorize anyone to carry on, and that it will use its best efforts, including all legal means at its disposal, to prevent anyone from carrying on, in the CENTRE or in any building erected thereon any business prohibited by Subsection (c) of Section 6.2 of the LANDLORD'S standard form of lease referred to in Section 8.1 (except the conduct of a department store on or in the SIMPSONS BUILDING, SIMPSONS OUTDOOR SELLING AREA, BATONS BUILDING, EATONS outdoor selling area, the RETAIL SPACE leased to STEINBERG'S Limited for the conduct of a department store, any land and building leased to, and outdoor selling area licensed to, a tenant of a third major department store as contemplated in Section 16.1, and the conduct of a junior department store, variety store or promotional department store in any RETAIL SPACE which has been leased for that purpose in compliance with the provisions of this Lease).

56
Section 9.2 The LANDLORD covenants that it will not carry on, consent to anyone carrying on or authorize anyone to carry on, and that it will use its best efforts, including all legal means at its disposal, to prevent anyone else from carrying on, any merchandising, advertising, display or promotional activity in any COMMON FACILITIES except such activities which are for the benefit of the CENTRE as a whole and are such as would be conducted or permitted by a prudent owner of a shopping centre of the quality of the CENTRE, or are in the SIMPSONS OUTDOOR SELLING AREA, BATONS outdoor selling area or any other outdoor selling area permitted by Section 2.3, or are in any kiosks in the MALL which are shown on the MERCHANDISING PLAN and provided any such activity or activities does not unreasonably impede access or visibility therein. If any merchandising, advertising, display or promotional activity is carried on in any COMMON FACILITIES which is not expressly permitted hereunder, the

LANDLORD will, upon receipt of any objection from the TENANT, take prompt steps to terminate such activity. Except with the consent of the LANDLORD, the TENANT covenants that it will not carry on, consent to anyone carrying on or authorize anyone to carry on any of the activities referred to in this Section in the SIMPSONS PARKING FACILITIES (other than the TENANT in the SIMPSONS OUTDOOR SELLING AREA), or authorize anyone to use them for any purpose other than the use thereof by the persons and for the purposes expressly contemplated and provided by this Lease. The LANDLORD agrees that the net revenue derived by it from merchandising, advertising, display or promotional activities carried on in COMMON FACILITIES (other than in outdoor selling areas and kiosks in the MALL permitted hereunder) shall, to the extent not applied by the LANDLORD to reduce the costs of maintaining and operating COMMON FACILITIES, be applied either by it or the merchants' association referred to in Section 5.7 to promotion for the benefit of the CENTRE as a whole (and when contributed by the LANDLORD to the merchants' association for application by the merchants' association to such purpose, shall be additional to and shall not reduce the contributions required to be made to the merchants' association by the LANDLORD pursuant to Section 5.7).

57

ARTICLE X
BANKRUPTCY AND INSOLVENCY

Section 10.1 If:

(a) the TENANT shall make any assignment for the benefit of creditors which shall not be cancelled or annulled within ninety (90) days; or

(b) the TENANT shall have a receiving order made against it which shall not be cancelled or annulled within ninety (90) days; or

(c) any proceedings shall be taken or orders shall be made for the winding up of the TENANT or for the surrender or forfeiture of the charter of the TENANT which proceedings or orders shall not be cancelled or annulled within ninety (90) days;

then, and in every such case, the rent attributable to the next ensuing three months of the TERM, to the extent not already paid, shall immediately become due and payable and, at the option of the LANDLORD, this Lease shall cease and determine and the TERM shall immediately become forfeited and void, in which event the LANDLORD may re-enter into and upon the SIMPSONS LAND and any buildings thereon or any part or parts thereof in the name of the whole and the same to have again, repossess and enjoy as of its former estate, anything herein contained to the contrary notwithstanding.

58

INSURANCE

Section 11.1 The Tenant covenants with the LANDLORD during the TERM to insure at the TENANT'S expense the SIMPSONS BUILDING to an amount not less than the amount which the LANDLORD and the TENANT shall from time to time agree as being sufficient for the time being, but failing such agreement, or insofar as such agreement shall not extend or shall be revoked by either party on the grounds that an amount hitherto agreed has become inappropriate because of altered circumstances, to an amount not less than the full amount of the actual cash value from time to time of the SIMPSONS BUILDING exclusive of excavation and foundation (it being understood that such value shall reflect all actual physical depreciation which shall have occurred as a result of age and wear and tear), reasonable first deductions excepted; but provided that the TENANT shall insure to such greater amount if any as may be necessary to avoid the application of any co-insurance provision of any applicable policy) in respect of damage or destruction by:

- (a) fire and such other casualties as are insured against by the standard form of extended coverage endorsement to fire policies which is available from time to time, and
- (b) any other insurable hazards against which insurance is then commonly carried on other buildings in the Municipality of Metropolitan Toronto of a character and occupancy similar to the SIMPSONS BUILDING. 59

The TENANT releases the LANDLORD and the LANDLORD'S mortgagees from all liability in respect of damage or destruction required to be insured by the TENANT hereunder, and agrees that there shall be no claim against the LANDLORD or such mortgagees by the TENANT, or by its insurers by subrogation, in respect thereof. The TENANT covenants that it will promptly upon demand therefor deliver to the LANDLORD such evidence of the above insurance as the LANDLORD shall reasonably require.

Section 11.2 If the SIMPSONS BUILDING or any part thereof be damaged or destroyed during the TERM, and so often as the same shall happen, the TENANT shall at its own expense repair and rebuild the SIMPSONS BUILDING with all reasonable speed, regardless of the cause of such damage or destruction; provided that the TENANT'S obligation to rebuild under this Section shall be subject to the following provisions:

- (i) The TENANT in lieu of rebuilding the SIMPSONS BUILDING in the same form that it previously was shall be entitled to build in accordance with any plan chosen by the TENANT provided that the provisions of Article XV are complied with and that the cost of such building is not substantially less than the replacement cost of the SIMPSONS BUILDING immediately prior to such damage or destruction. In case the parties hereto cannot agree on the replacement cost of the SIMPSONS BUILDING based on its value immediately prior to such damage or destruction the question will be determined by arbitration pursuant to Section 19.9.
- (ii) If the cost of repair, restoration or reconstruction as estimated by an appraiser or adjuster appointed by the Senior Judge of the County Court of the Judicial District of York exceeds fifty per cent (50%) of the replacement cost (excluding foundation and excavation costs) of the SIMPSONS BUILDING and if such damage or destruction occurs at such time that the SIMPSONS BUILDING cannot, with the exercise of reasonable ⁶⁰ diligence be rebuilt to enable the same to re-open for business at least one year before the expiration of the TERM, the TENANT shall be entitled, in lieu of rebuilding, to terminate this Lease by written notice to the LANDLORD given within sixty (60) days after the happening of such damage or destruction, in which event this Lease shall terminate as of the date of the giving of such notice. If any dispute or question shall arise as to whether the SIMPSONS BUILDING cannot with the exercise of reasonable diligence be rebuilt to enable the same to re-open for business at least one year before the expiration of the TERM the question shall be determined by arbitration pursuant to Section 19.9, and provided such question shall be submitted to arbitration before the expiration of the said sixty (60) days for the giving of such notice the time for

giving such notice shall be extended until seven (7) days after the decision of the arbitrator has been made. If the TENANT terminates this Lease pursuant to the provisions of this paragraph (ii) it shall pay to the LANDLORD such amount if any as may be necessary to be added to the insurance moneys which the LANDLORD or any mortgagees of the LANDLORD'S interest in the CENTRE receive pursuant to Section 11.3 so that the total amount held by the LANDLORD or such mortgagees shall be sufficient to restore the SIMPSONS BUILDING to a condition substantially similar to that in which it was before such damage and destruction, the insurance moneys referred to in Section 11.3 shall be the property of the LANDLORD or any mortgagees of the LANDLORD'S interest in the CENTRE as their interest may appear and the TENANT and any mortgagees of the TENANT'S interest in the SIMPSONS BUILDING having any interest therein shall release their interest.

61

Section 11.3 All insurance moneys payable in respect of damage or destruction caused to the SIMPSONS BUILDING by any of the perils hereinbefore referred to shall be payable to the TENANT if the aggregate amount of insurance moneys payable in respect of any one occurrence and loss or damage are not in excess of \$25,000, but in all other cases shall be payable to the LANDLORD or mortgagees of the LANDLORD'S interest in the CENTRE as their interest may appear, to be held by it or them jointly with any mortgagees of the TENANT'S interest in the SIMPSONS BUILDING, and (except as provided in paragraph (ii) of Section 11.2) when received by the LANDLORD or such mortgagees shall be held in trust by them (with any interest which may accrue thereon) for the TENANT, and the LANDLORD and such mortgagees shall make any such moneys held

by them respectively available to reimburse the TENANT for making good the damage or destruction to the SIMPSONS BUILDING, and shall advance such moneys upon certificates of the TENANT'S architect (who shall be an architect to whom the LANDLORD has no reasonable objection) as such damage or destruction is made good, provided that after the advance provided for in each such certificate there will be sufficient funds remaining in the hands of the LANDLORD or such mortgagees to make good the part of such damage or destruction which has not yet been made good. Any excess of such insurance moneys over the amount required to reimburse the TENANT for making good such damage or destruction shall be paid to the TENANT after such damage or destruction is made good.

Section 11.4 The LANDLORD covenants with the TENANT during the TERM to insure or cause to be insured at the LANDLORD'S expense (save as provided in Article XIII) all the buildings and improvements on the SITE, excluding the SIMPSONS BUILDING and any improvements constructed by the TENANT on the SIMPSONS OUTDOOR SELLING AREA or constructed by any other tenant on any other outdoor selling area, to an amount not less than 80% of their replacement cost (exclusive of excavation, foundations and 62 design costs) from time to time or such other amount as the TENANT shall approve (reasonable first deductions excepted; but provided that the LANDLORD shall insure or cause to be insured to such greater amount if any as may be necessary to avoid the application of any co-insurance provision of any applicable policy) in respect of fire and all perils against which the TENANT is required to insured under the provisions of Section 11.1. The LANDLORD releases the TENANT and mortgagees of the TENANT'S interest in the SIMPSONS BUILDING from all liability in respect of damage or destruction to the LANDLORD'S BUILDINGS required to be insured by the LANDLORD hereunder, and agrees that there shall be no claim against the TENANT or such mortgagees by the LANDLORD, or by its insurers by subrogation, in respect thereof. The LANDLORD covenants that it will promptly upon demand deliver

to the TENANT such evidence of the above insurance as the TENANT shall reasonably require.

Section 11.5 If any of the buildings or other improvements on the SITE (other than the SIMPSONS BUILDING and any improvements constructed by the TENANT on the SIMPSONS OUTDOOR SELLING AREA or constructed by any other tenant on any other outdoor selling area) or any part of such buildings or improvements are damaged or destroyed during the TERM, and so often as the same shall happen, the LANDLORD shall repair and rebuild or cause to be repaired or rebuilt the same with all reasonable speed, regardless of the cause of such damage or destruction; provided however that the LANDLORD'S obligation to rebuild under this Section shall be subject to the following provisions:

- (i) The LANDLORD shall not be obligated to repair or rebuild the EATONS BUILDING if EATONS shall terminate its lease thereof in circumstances of damage or destruction thereto comparable to the circumstances of damage or destruction to the SIMPSONS BUILDING described in paragraph (ii) of Section 11.2 pursuant to a right of termination equivalent to the TENANT'S right of termination under such paragraph. 63
- (ii) The LANDLORD, in lieu of rebuilding such buildings and improvements in the same form that they previously were, shall be entitled to build in accordance with any plan chosen by the LANDLORD, provided that the provisions Article XVI are complied with.
- (iii) If the cost of repair, restoration or reconstruction as estimated by an appraiser or an adjuster appointed by the Senior Judge of the County Court of the Judicial District of York exceeds fifty per cent (50%) of the replacement cost (excluding foundation and excavation costs) of the LANDLORD'S BUILDINGS and if such damage or destruction occurs at such time that the LANDLORD'S BUILDINGS cannot, with the exercise of reasonable diligence, be rebuilt to enable the same to re-open

11-6

for business at least one (1) year before the expiration of the TERM (and for the purpose of establishing the expiration of the TERM the LANDLORD may require the TENANT to declare whether it will elect not to renew the TERM for the then next available period of extension, where the TENANT has not at the time of such damage or destruction already exercised such election and where the damage or destruction occurs at such time that the LANDLORD'S BUILDINGS are unlikely to be rebuilt at least one (1) year before the then current portion of the TERM), the LANDLORD shall be entitled in lieu of rebuilding, to terminate this Lease by a written notice given to the TENANT within sixty (60) days after the happening of such damage or destruction (or if later, within thirty (30) days after receipt by the LANDLORD of the TENANT'S declaration that it will elect not to extend the TERM). Upon the LANDLORD electing to so terminate, this Lease shall terminate upon any date selected by the TENANT not later than the expiration of the TERM, but the LANDLORD shall not be obligated to rebuild. If a dispute or question shall arise as to whether the LANDLORD'S BUILDINGS cannot with the exercise of reasonable diligence be rebuilt to enable the same to re-open for business at least one (1) year before the expiration of the TERM the question shall be determined by arbitration pursuant to Section 19.9, and provided such question shall be submitted to arbitration before the expiration of the said period for the giving of such notice of termination, the time for the giving of such notice shall be extended until seven (7) days after the decision of the arbitrator has been made.

Section 11.6 The LANDLORD covenants with the TENANT to place and keep or cause to be placed and kept in force public liability

11-7

including insurance against damage to the property of, death of or injury to third parties, protecting the LANDLORD and TENANT, as owners or occupiers, with respect to the operation of the LANDLORD'S BUILDINGS and COMMON FACILITIES. The amount and the type of such insurance shall be subject to the TENANT'S approval, which approval shall not be unreasonably withheld.

Section 11.7 The TENANT covenants with the LANDLORD to place and keep in force public liability insurance, including insurance against damage to the property of, death of or injury to third parties, protecting the LANDLORD and TENANT, as owners or occupiers, with respect to the operation of the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA. The amount and type of such insurance shall be subject to the LANDLORD'S approval, which approval shall not be unreasonably withheld.

65-

ARTICLE XIILANDLORD'S REPAIRS, INDEMNITIES

Section 12.1 The LANDLORD covenants with the TENANT that, subject to Section 11.5, it shall at all times during the TERM maintain or cause to be maintained in good condition and repair, as set out in Section 19.11, howsoever repairs are necessitated and whether they are structural or non-structural, all buildings and other improvements on the SITE (excluding the SIMPSONS BUILDING and any improvements erected by the TENANT on the SIMPSONS OUTDOOR SELLING AREA), and perform the maintenance required of the LANDLORD by the provisions of Article VI, and promptly make or cause to be made all repairs or replacements. All such maintenance, repairs and replacements shall be conducted so as to comply with Section 16.4.

Section 12.2 The LANDLORD will indemnify and save harmless the TENANT from any and all third-party claims for damage or injury to persons or property arising out of the use and operation of any of the COMMON FACILITIES and all machinery and equipment used or operated therein or thereon except to the extent that any such damage or injury results from the fault of the TENANT or any employee or agent of the TENANT. 66

Section 12.3 The TENANT will indemnify and save harmless the LANDLORD from any and all third-party claims for damage or injury to persons or property arising out of the use and operation of the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA and all machinery and equipment used or operated therein or thereon except to the extent that any such damage or injury results from the fault of the LANDLORD or any employee or agent of the LANDLORD.

ARTICLE XIIICOST OF MAINTAINING COMMON FACILITIES

Section 13.1 The TENANT shall pay to the LANDLORD, as additional rent and in the manner hereinafter provided, for each fiscal period adopted by the LANDLORD in connection with its operation of the COMMON FACILITIES, the aggregate of:

- (a) that proportion of the LANDLORD'S aggregate costs of maintaining and operating all COMMON FACILITIES (including the SIMPSONS PARKING FACILITIES and other COMMON FACILITIES on the SIMPSONS LAND) which the adjusted NET FLOOR AREA of the SIMPSONS BUILDING is of the adjusted NET FLOOR AREA of all RETAIL SPACE contained in all buildings in the CENTRE, including the EATONS BUILDING and the SIMPSONS BUILDING, and
- (b) an annual sum which from time to time bears the same relationship to \$5200 as the Consumer Price Index (All Items) for Metropolitan Toronto most recently published by Statistics Canada as of the commencement of the then current fiscal period as so adopted by the LANDLORD bears to such Consumer Price Index as most recently published as of the OPENING DATE (with the appropriate adjustment to be made if such Consumer Price Index is at any time computed with reference to a different base, and with reference instead, with the appropriate adjustment to the most nearly comparable official index if such Consumer Price Index ceases to be published, and which sum shall be appropriately adjusted further for any fiscal period which is longer or shorter than a year), representing the agreed amount of the TENANT'S contribution to that part of the cost of management and administration attributable to the maintenance, operation and supervision of COMMON FACILITIES which is indirect or of a consulting,
- 67

advisory or policymaking nature (such as, for example, costs of what is sometimes known as "head office executive assistance"),

For the purposes of paragraph (a) of this Section 13.1, the adjusted NET FLOOR AREA of any RETAIL SPACE means the NET FLOOR AREA of any portions thereof which are located at or approximately at the level of any portion of the MALL and which are on or directly connect with the MALL by means of full enclosed COMMON FACILITIES, and one-half the NET FLOOR AREA of all other portions thereof.

Section 13.2 The LANDLORD'S aggregate costs of maintaining and operating all COMMON FACILITIES referred to in paragraph (a) of Section 13.1 shall mean all the LANDLORD'S costs which are properly attributable, in accordance with sound accounting principles, to the maintenance, operation and supervision thereof to the extent that it is reasonable for a prudent owner of the CENTRE to incur them, and shall include (without limitation or duplication):

- 68
- (i) the cost of insurance in respect of fire, extended coverage endorsement perils, public liability and property damage and other casualties against which the LANDLORD may reasonably insure (including the insurance to be maintained by the LANDLORD pursuant to Article XI but only to the extent that such insurance relates to COMMON FACILITIES, and excluding all costs of insurance relating to the LANDLORD'S BUILDINGS);

- (ii) the cost of cleaning and removing snow from COMMON FACILITIES, and of maintaining and operating lighting systems and loudspeaker, public address or music broadcasting systems therein;
- (iii) the cost of policing and supervising COMMON FACILITIES, including policing and supervising traffic to and from the SITE even though the attendants doing so are stationed off the SITE;
- (iv) the cost of repairs and maintenance to COMMON FACILITIES (including repairs and maintenance to escalators, elevators, other mechanical equipment, furniture, chattels and other equipment therein, and to cleaning equipment, and the maintenance and upkeep of landscaped areas) to the extent not properly chargeable to capital account under generally accepted accounting practice; 69
- (v) taxes, rates, duties and assessments (including local improvement rates) in respect of COMMON FACILITIES, including land occupied thereby or fairly attributable thereto and any business tax thereon which are not assessable to any CONCESSIONAIRE under the terms of its lease or license;
- (vi) the cost of operating, maintaining and repairing all systems and equipment for heating, ventilating or cooling the MALL and other enclosed portions of the COMMON FACILITIES (in each case to the extent that such systems and equipment are within and exclusively serving such COMMON FACILITIES, but excluding all portions of the HVAC PLANT);
- (vii) the total cost of supplying heating, ventilating and cooling to the MALL and other enclosed portions of

the COMMON FACILITIES from the HVAC PLANT, and which cost shall be a proportion of the total cost of operating, maintaining and repairing the HVAC PLANT which the heating, ventilating and cooling requirements of the MALL and other enclosed COMMON FACILITIES referred to is from time to time of the total heating, ventilating and cooling requirements of all space within the CENTRE (whether COMMON FACILITIES or rentable space) which is served by the HVAC PLANT; for the purpose of this computation:

(1) the proportion referred to shall be established from time to time by the parties (or failing agreement by independent engineers appointed by the LANDLORD for the purpose) and by means of measurement or estimation of actual load or such other means as the parties or such engineers may consider appropriate, (and if requirements of different portions of the CENTRE differ relatively in their respective requirements for heating on the one hand and cooling on the other hand, such differences shall be appropriately taken into account by the parties or such engineers in order to arrive at a proportion for overall heating, ventilating and cooling requirements which is to be attributed to the MALL and other enclosed portions of the COMMON FACILITIES which is equitable in all the circumstances), and

(2) the total cost of operating, maintaining and repairing the HVAC PLANT shall include, in addition to all such costs which are normally attributed as an item of expense in a year or fiscal period, depreciation calculated as hereinafter provided upon each item of equipment

comprised in the HVAC PLANT, but only as to the capital cost of later replacements therefor and not as to the capital cost of such equipment originally provided, and shall also include (without limitation) all wages, salaries and fringe benefits of personnel engaged in the operation, maintenance or repair of the HVAC PLANT, all costs of fuel or other energy and utilities, all costs of insurance on or in respect of the operation of the HVAC PLANT and all taxes, rates, duties and assessments (including local improvement rates) in respect of the HVAC PLANT and any land occupied thereby or fairly attributable thereto and any business taxes thereon; 7/

(viii) depreciation calculated as hereinafter provided on:

(1) furniture, chattels and equipment (including cleaning equipment but excluding building equipment such as escalators, elevators, heating, ventilating and cooling systems and equipment and other mechanical equipment which is part of the buildings or structures comprising COMMON FACILITIES) supplied by the LANDLORD and either located in or used in connection with the operation and maintenance of COMMON FACILITIES, both as to the capital cost of the furniture, chattels and equipment originally provided (calculated on a straight line basis over the estimated life of the item of furniture, chattels or equipment involved) and as to the capital cost of later replacements therefor, and

(2) building equipment in COMMON FACILITIES, such as escalators, elevators, heating, ventilating and cooling and equipment and other mechanical equipment which is part of the buildings or structures comprising COMMON FACILITIES, but only as to the cost of later replacements therefor and not as to the capital cost of building equipment originally provided;

(ix) the cost of management and administration which is attributable to the maintenance, operation and supervision of COMMON FACILITIES (including amounts if and to the extent so attributable which are paid or reimbursed by the LANDLORD to Trizec Equities Limited for such management and administration under a management agreement dated January 8, 1973), but only as to the cost of such management and administration which is other than the cost referred to in paragraph (b) of Section 13.1 and is directly attributable to the management and administration of COMMON FACILITIES (as distinguished from costs which are indirect or otherwise of the nature referred to in paragraph (b) of Section 13.1, and for which contribution is made under the provisions of that paragraph); and

(x) amounts paid by the LANDLORD to the TENANT, pursuant to Section 14.2 or otherwise, and to any other tenant under any like provision of any other lease or otherwise, as reimbursement for any expense incurred by them in respect of the maintenance and operation of COMMON FACILITIES and which expense, if directly incurred by the LANDLORD, would have been included hereunder;

but shall exclude (or there shall be deducted, as the case may be):

(1) payments under any mortgages on the CENTRE;

(2) costs of management and administration other than those specifically included under paragraph (ix) above;

(3) costs of a capital nature other than depreciation provided for under paragraphs (vii) and (viii) above;

(4) any additional cost of operating COMMON FACILITIES during any hours which are not within the hours of business for the CENTRE established under paragraph 5.2(i) to the extent reimbursed to the LANDLORD by the TENANT or other CONCESSIONAIRES for whose benefit such additional costs were incurred;

(5) the aggregate costs of maintaining and operating PARKING STRUCTURES which have been provided in respect of any expansions of the EATONS BUILDING, LANDLORD'S BUILDINGS or SIMPSONS BUILDING shall be excluded to the extent that the aggregate costs of maintaining and operating such PARKING STRUCTURES exceed what the gross costs of maintaining and operating an equivalent number of PARKING SPACES at grade level would have been;

(6) recoveries made by the LANDLORD under insurance policies or under damage claims, to the extent applicable to costs of maintaining and operating COMMON FACILITIES which are included hereunder;

(7) any revenue from merchandising, advertising, display or promotional activities permitted to be conducted in COMMON FACILITIES pursuant to Section 9.2 and which the LANDLORD shall be required pursuant to Section 9.2 to apply either to reduce the cost of maintaining and operating COMMON FACILITIES or to promotion for the benefit of the CENTRE as a whole and shall elect to apply to reduce the cost of maintaining and operating COMMON FACILITIES; and

(8) any additional costs incurred in the maintenance and operation of COMMON FACILITIES which relate to merchandising, advertising, display or promotional activities which are permitted to be conducted therein pursuant to Section

9.2 (other than in outdoor selling areas and KIOSKS in the MALL as shown on the MERCHANDISING PLAN) and which produce revenue to the LANDLORD but which revenue has not been applied by the LANDLORD either to reduce the costs of maintaining and operating COMMON FACILITIES or to promotion for the benefit of the CENTRE as a whole.

Costs shall be allocated to each fiscal period without any duplication in accordance with generally accepted accounting practice, and insurance premiums for any policy having a term other than a fiscal period may be allocated to the fiscal period in which the premium therefor is paid. Where in this Section 13.2 it is provided that there may be included as part of the cost of maintaining and operating COMMON FACILITIES depreciation in respect of the capital cost of any replacement:

- 74
- (a) such depreciation may notwithstanding be included therein only where the replacement is made in accordance with sound property management principles and has been approved by the TENANT (such approval not to be withheld if, over the estimated life of the replacement, the annual cost which would be incurred by the LANDLORD in repairing the item replaced could reasonably be expected to exceed the annual depreciation in respect of the replacement plus the annual cost which would be incurred by the LANDLORD in repairing the replacement, the determination of whether or not this is so with respect to any item disputed to be by arbitration);
 - (b) if any replacement is not made with materials and workmanship similar to that of the item replaced, the annual amount of depreciation charged in respect thereof shall not exceed the annual amount of depreciation which would have been charged in respect of a replacement made with materials and workmanship similar to that of the item replaced (but this shall not prevent the full depreciation, over the appropriate period of time determined as provided in paragraph (c), of a replacement having a higher capital cost but longer

- estimated life, or having a lower capital cost but shorter estimated life, provided that the limitation upon the annual amount of depreciation charged therefor stipulated in this paragraph (b) is not exceeded); and
- (c) such depreciation shall be calculated on a straight line basis over the estimated life of the replacement.

Section 13.3 Prior to the commencement of each fiscal period adopted by the LANDLORD for the purposes of Section 13.1, or as soon thereafter as possible, the LANDLORD will furnish to the TENANT an estimate of its aggregate costs (as defined in Section 13.2) of maintaining and operating the COMMON FACILITIES for such fiscal period and the amount thereof payable by the TENANT pursuant to Section 13.1. The TENANT shall pay the LANDLORD the amount so estimated in equal monthly instalments, on account of its obligation under Section 13.1, such instalments to be made on the date in each month from time to time established by the LANDLORD.

75

Section 13.4 Within ninety (90) days after the end of each such fiscal period the LANDLORD shall furnish to the TENANT a statement (which shall be accompanied by a certificate by the LANDLORD'S auditor that such statement has been prepared in accordance with generally acceptable accounting principles and in accordance with Section 13.2 and has been audited and is considered by such auditor to be accurate and correct) of the LANDLORD'S actual aggregate cost (as defined in Section 13.2) of maintaining and operating the relevant COMMON FACILITIES during such fiscal period and the amount thereof payable by the TENANT pursuant to Section 13.1 and showing in reasonable detail the information relevant and necessary to the exact calculation and determination thereof. If such amount is greater or less than the payments on account thereof made pursuant to Section 13.3 appropriate adjustments will be made between the parties hereto within fourteen (14) days after delivery of such statement. The books and records of the LANDLORD pertaining to such costs shall be available at the LANDLORD'S office in Metropolitan Toronto for inspection by auditors designated by the TENANT upon reasonable notice and at all reasonable times after the TENANT is furnished with the

said statement or after the expiration of such period of ninety (90) days, whichever is the earlier, and any payment by the TENANT or acceptance by the TENANT of any adjustment hereunder shall be without prejudice to the right of the TENANT to object to any item of cost or claim a re-adjustment, provided such objection or claim is made within twelve (12) months after the delivering of the said statement. For the purposes of this Section the LANDLORD shall be required to keep books and records pertaining to such costs and to make the same available for inspection as aforesaid only so long as the TENANT has any right to object to any item of cost or claim of re-adjustment with respect to any period to which such books and records relate.

Section 13.5 The TENANT shall pay to the LANDLORD, in addition to the contributions to the LANDLORD'S aggregate costs of maintaining and operating all COMMON FACILITIES payable by it pursuant to Section 13.1:

(1) the LANDLORD'S aggregate costs of maintaining and operating PARKING STRUCTURES on the SIMPSONS LAND which have been provided by the TENANT pursuant to Section 17.2 in respect of any expansion of the SIMPSONS BUILDING, to the extent that the aggregate costs of maintaining and operating such PARKING STRUCTURES exceed what the gross costs of maintaining and operating an equivalent number of PARKING SPACES at grade level would have been; and

(2) costs incurred by the LANDLORD in repairing or replacing any COMMON FACILITIES on the SIMPSONS LAND, to the extent that such costs are required to be incurred by the LANDLORD in the fulfilment of its obligations under this Lease but are not properly chargeable to the LANDLORD'S aggregate costs of maintaining and operating COMMON FACILITIES as defined in Section 13.2, by reason of such costs being of a capital nature, or properly chargeable to capital account under generally accepted accounting practice, or otherwise.

Amounts payable by the TENANT shall be paid to the LANDLORD from time to time as the costs to which they relate are incurred by the LANDLORD and invoiced to the TENANT.

ARTICLE XIVCERTAIN REMEDIES OF TENANT

Section 14.1 (a) Whenever and to the extent that the LANDLORD shall fail to fulfil any obligation of the LANDLORD hereunder in respect of the supply or provision of any service or utility or the doing of any work or the making of any repairs the TENANT shall have the right, after reasonable notice to the LANDLORD having regard to the circumstances, to supply or provide any such service or utility or do any such work or make any such repairs and the LANDLORD shall pay to the TENANT forthwith upon demand the cost of such supply, provision, work or repairs.

(b) If and whenever and so long as the TENANT shall not be fully satisfied with the standards of maintenance and repair by the LANDLORD of the sidewalks, landscaped areas, utilities and other improvements which are immediately adjacent to the SIMPSONS BUILDING and which, although COMMON FACILITIES, were initially constructed by the TENANT pursuant to the CONSTRUCTION AGREEMENT, the TENANT may upon notice in writing to the LANDLORD assume the maintenance and repair thereof, in which case the TENANT shall, until it shall abandon such assumption by further notice in writing to the LANDLORD, maintain and repair the same at least to the standards applicable to COMMON FACILITIES under this Lease, and shall be entitled to be reimbursed by the LANDLORD to the extent of the reasonable cost which would have been incurred by the LANDLORD in maintaining and repairing them to the standards required by this Lease.

(c) If and whenever the COMMON FACILITIES on the SIMPSONS LAND are required to be repaired or replaced and the circumstances are such that the cost thereof would not be properly chargeable to the LANDLORD'S aggregate costs of maintaining and operating COMMON FACILITIES pursuant to Section 13.2 but would be required to be reimbursed by the TENANT to the LANDLORD pursuant to Section 13.5, the TENANT shall have the option, upon written notice to the LANDLORD, to undertake the repair or

replacement thereof, and in such case the TENANT shall be obligated to conduct such repair or replacement in accordance with the standards applicable to COMMON FACILITIES set out in this LEASE and at its own expense.

Section 14.2 In addition to the rights of the TENANT, set out in Section 14.1, the LANDLORD agrees that at any time after the breach by the LANDLORD of any covenant or agreement in this Lease, if:

(i) such breach is, in the reasonable opinion of the TENANT, one which does, or the continuance of which would, materially and adversely affect the TENANT,

(ii) the breach is one reasonably capable of being remedied by the LANDLORD,

(iii) the TENANT has first resorted to any other remedies available to it (including its remedies under Section 14.1) the exercise of which have a reasonable prospect of causing the breach to be remedied either by the LANDLORD or the TENANT with reasonable promptness, but without succeeding in having such breach remedied, and

(iv) the breach is one which can be reasonably expected to be remedied if the TENANT were to exercise its rights under this Section;

then until such time as such breach shall have been remedied, the TENANT shall have the right to give written notice to the LANDLORD of its intention to take over and assume the management of the CENTRE if such breach has not been remedied within sixty (60) days, or within such longer time as may reasonably be required for the LANDLORD to remedy the same with the exercise of due diligence. If such breach has not been remedied within such time, the TENANT shall upon the expiration of such time have the right (but subject to the exercise by EATONS of its similar but prior right, if and so long as EATONS exercise such right) to take over and assume the LANDLORD'S rights of management of the CENTRE and to

do all acts which are in the normal course of such management and could have been done by the LANDLORD (including the right to exercise, as agent for the LANDLORD, all the rights, powers and remedies of the LANDLORD relating to the management thereof, and as lessor or licensor under all leases or other demises of portions of the CENTRE and under all other contracts and agreements relating to the ownership, management or operation of the CENTRE) in all respects as the duly appointed agent of the LANDLORD; provided that nothing in this Section 14.2 shall be deemed to derogate from or impair any right or remedy of the mortgagee under any mortgage which may have been placed on the CENTRE or shall empower the TENANT to sell, transfer or encumber any interest in the CENTRE (except by way of leases complying with Articles VII and VIII and with other obligations of the LANDLORD relating thereto), pledge the credit of the LANDLORD except within the ordinary scope of such management, or act except within such scope. Except to the extent that any such breach is being remedied by the TENANT with reasonable diligence, the LANDLORD shall have the right to remedy the same, notwithstanding the assumption of such management by the TENANT, and shall have a right of entry for the purpose. The TENANT may discontinue any exercise of its rights under this Section 14.2 ⁷⁹ at any time by giving the LANDLORD notice of its intention to do so, and if such notice shall be given the LANDLORD shall pay to the TENANT, within seven (7) days after receipt of a demand therefor from the TENANT, the total of all costs and expenses which the TENANT shall have reasonably incurred (except as an agent for the LANDLORD) as a result of or in connection with exercising its rights under this Section. The TENANT shall, within seven (7) days after receipt from the LANDLORD of any notice of its intention to reassume the management of the CENTRE, discontinue each such exercise provided that by the expiration of such period of seven (7) days all existing breaches of the aforesaid covenants and agreements of the LANDLORD which are reasonably capable of being remedied

have been remedied (whether by the LANDLORD or by the TENANT) and all of such costs and expenses claimed by the TENANT prior to the expiration of such period have been paid. Upon the TENANT ceasing to exercise its rights of management under this Section, the TENANT shall promptly account to the LANDLORD for its stewardship during the period when it exercised such management, but the TENANT shall have no liability for any loss or damage to the LANDLORD resulting from the exercise of the TENANT'S rights under this Section provided the TENANT has acted reasonably and in good faith.

80

ARTICLE XVEXPANSION, ALTERATION AND RECONSTRUCTION
OF THE SIMPSONS BUILDING

Section 15.1 The TENANT may from time to time expand the SIMPSONS BUILDING (and for the purpose may make structural and other alterations to the SIMPSONS BUILDING as from time to time existing as may be necessary and appropriate to accommodate such expansion, and which alterations shall be considered part of the expansion) subject to the following conditions:

(1) In no event shall the NET FLOOR AREA of the SIMPSONS BUILDING exceed 500,000 square feet.

(2) Unless the LANDLORD shall otherwise agree in writing, any expansion of the SIMPSONS BUILDING shall be limited to a vertical expansion and shall be architecturally compatible, as to its exterior, structure and integration with the MALL, with the CENTRE, no part of the SIMPSONS BUILDING as from time to time expanded shall be located other than within the limits of that portion of the SIMPSONS LAND occupied by the SIMPSONS BUILDING as initially constructed and any portions of the LANDLORD'S LAND which is then encroached upon by the SIMPSONS BUILDING (being encroachments which either existed at OPENING DATE or were thereafter consented to by the LANDLORD), and no building or other improvement shall be constructed on the SIMPSONS LAND other than the SIMPSONS BUILDING and expansions thereof permitted by this Section, improvements in the SIMPSONS OUTDOOR SELLING AREA permitted by Section 2.3, and the SIMPSONS PARKING FACILITIES and other COMMON FACILITIES on the SIMPSONS LAND.

(3) The TENANT shall furnish PARKING FACILITIES on the SIMPSONS LAND (or if the LANDLORD shall have approved other land as being suitable for the provision of such PARKING FACILITIES and the TENANT shall have granted to the LANDLORD a non-exclusive right of use of such PARKING FACILITIES corresponding to the non-exclusive right of use reserved under paragraph (ii) of Subsection 2.1(a), also on such other land) to provide the number of additional

PARKING SPACES in connection with any expansion of the SIMPSONS BUILDING required to comply with Section 17.2. If in connection with any expansion of the SIMPSONS BUILDING the TENANT is required to construct PARKING STRUCTURES in order to provide the necessary number of PARKING SPACES, such PARKING STRUCTURES shall be architecturally compatible with the CENTRE and shall be constructed on the SIMPSONS LAND or such other land as may have been approved by the LANDLORD for the purpose, and in a location or locations to be designated by the TENANT sufficient in area for the purpose (but which location or locations shall be subject to the approval of the LANDLORD, such approval not to be unreasonably withheld, having regard to all relevant factors including those referred to in subparagraph 4(iv) of Section 16.1.)

(4) Prior to commencing construction of any expansion of the SIMPSONS BUILDING and any PARKING FACILITIES required in connection therewith, the TENANT shall submit plans and specifications therefor (but which, in the case of the SIMPSONS BUILDING, need not include details of interior design), to the LANDLORD for the approval of the LANDLORD (which approval shall not be unreasonably withheld).

(5) Every expansion of the SIMPSONS BUILDING and any PARKING FACILITIES required in connection therewith shall be constructed in accordance with the plans and specifications therefor which have been approved by the LANDLORD and in good and workmanlike manner and in accordance with all applicable municipal or governmental statutes, regulations and by-laws, and such construction shall be conducted expeditiously and in such manner as to minimize to the extent reasonably possible interference with the business conducted in the CENTRE including that of the TENANT.

(6) The entire cost of the construction of any expansion of the SIMPSONS BUILDING and of any PARKING FACILITIES required in connection therewith shall be paid by the TENANT, and the TENANT shall in addition be responsible for the cost of any modifications or additions to COMMON UTILITIES and other expenses

incurred by the LANDLORD in connection with or attributable to such expansion. The cost of any such PARKING FACILITIES shall include the cost of changes in roads and other alterations to improvements both on and off the SITE necessary to accommodate such PARKING FACILITIES and provide proper access thereto, and such PARKING FACILITIES shall include the number of PARKING SPACES required to replace PARKING SPACES displaced by construction as well as providing the required number of additional PARKING SPACES. To the extent that the TENANT shall be responsible for costs and expenses of the LANDLORD which, if borne by the LANDLORD, would be capable of being written off by the LANDLORD for income tax purposes, the TENANT shall only be responsible to pay by way of prepaid rent to the LANDLORD an amount equal to the aggregate of such costs and expenses.

(7) Before proceeding with the construction of any expansion to the SIMPSONS BUILDING or any PARKING FACILITIES required in connection therewith, the TENANT shall negotiate with the LANDLORD, if the LANDLORD desires such negotiations, for a reasonable time with a view to arriving at an agreement whereby the LANDLORD will perform such construction either for an agreed price or in consideration of an agreed increase in rent or for other consideration. 83

Section 15.2 The TENANT may from time to time make alterations to or reconstructions of the SIMPSONS BUILDING for the purpose of adapting the SIMPSONS BUILDING for the better use of the TENANT in the conduct of its business, provided that:

(1) no structural alterations thereto or any alterations or reconstruction which would alter the architectural compatibility, as to its exterior, structure and integration with the MALL, of the SIMPSONS BUILDING in relation to the CENTRE shall be made without the prior written approval of the LANDLORD (which approval shall not be unreasonably withheld);

(2) the NET FLOOR AREA of the SIMPSONS BUILDING shall not be increased unless Section 15.1 is complied with, and shall not be reduced to less than the NET FLOOR AREA thereof at the date of commencement of the TERM; and

(3) every reconstruction and major alteration of the SIMPSONS BUILDING shall be constructed in accordance with plans and specifications which disclose the structure and architectural appearance thereof and its integration with the balance of the CENTRE and which have been approved by the LANDLORD (such approval not to be unreasonably withheld provided all the requirements of this Lease applicable thereto are complied with), and every reconstruction or alteration shall accord with all applicable municipal or governmental statutes, regulations and by-laws, and the construction thereof shall be conducted expeditiously and in such manner as to minimize to the extent reasonably possible interference with the business conducted in the CENTRE including that of the TENANT.

Section 15.3 No alteration shall be made to the SIMPSONS PARKING FACILITIES without the consent of the LANDLORD (which consent shall not be unreasonably withheld), save in connection with the construction of additional PARKING FACILITIES in connection with an expansion of the SIMPSONS BUILDING and in compliance with Section 15.1. 84

ARTICLE XVIEXPANSION, ALTERATION AND
RECONSTRUCTION OF CENTRE

Section 16.1 The LANDLORD may from time to time expand or permit to be expanded the EATONS BUILDING, the LANDLORDS BUILDINGS and COMMON FACILITIES (and for the purpose may make structural and other alterations to such buildings as from time to time existing as may be necessary and appropriate to accommodate such expansion, and which alterations shall be considered part of the expansion) subject to the following conditions:

(1) In no event shall the NET FLOOR AREA of the EATONS BUILDING exceed 500,000 square feet.

(2) Any expansion of the EATONS BUILDING shall be limited to a vertical expansion and shall be architecturally compatible with the CENTRE, and unless the TENANT shall otherwise agree in writing, no part of the EATONS BUILDING as from time to time expanded shall be located other than within the limits of the EATONS LAND and any portions of the LANDLORD'S LAND which is then encroached upon by the EATONS BUILDING (being encroachments which either existed at OPENING DATE or were subsequently consented to ^{85'} by the LANDLORD with the approval (which shall not be unreasonably withheld) of the TENANT). The expansion of the LANDLORD'S BUILDINGS is not limited to a vertical expansion but may include the construction of additions or new buildings elsewhere on the LANDLORD'S LAND (but subject to the terms of this Lease).

(3) The LANDLORD or EATONS shall furnish PARKING FACILITIES (which shall be part of the LANDLORDS PARKING FACILITIES on the LANDLORDS LAND] to provide additional PARKING SPACES in connection with any expansion of the EATONS BUILDING required to comply with Article XVII. The LANDLORD shall furnish PARKING FACILITIES which shall be part of the LANDLORDS PARKING FACILITIES on the LANDLORDS LAND] to provide additional PARKING SPACES in connection with any expansion of the LANDLORDS BUILDINGS required to comply with Article XVII.

(4) Every expansion of the LANDLORDS BUILDINGS or COMMON FACILITIES shall be subject to the following additional conditions:

- (i) every expansion of the LANDLORDS BUILDINGS shall comprise only buildings or building additions which are compatible with a regional shopping centre and which shall be constructed for use as RETAIL SPACE or for use as office premises unless the TENANT shall have given its prior written consent to any other contemplated use;
- (ii) unless the TENANT otherwise consents, only one major department store building (exclusive of the RETAIL SPACE leased to Steinberg's Limited for the conduct of a department store) shall be permitted in the CENTRE, in addition to the EATONS BUILDING and the SIMPSONS BUILDING, and such additional department store building shall not have a NET FLOOR AREA in excess of the NET FLOOR AREA comprised in whichever of the SIMPSONS BUILDING or the EATONS BUILDING is the smaller at the time construction of such additional department store building is commenced, shall *86* be located approximately in the location therefor outlined in yellow on the SITE PLAN, and shall not be expanded to have a NET FLOOR AREA in excess of the lesser of 500,000 square feet or twice the maximum NET FLOOR AREA which such additional department store was permitted to have, at the time of its original construction, by the terms of this paragraph (ii);
- (iii) the general location and general configuration of the part of the MALL originally constructed shall not be altered, nor shall its area be reduced, but the MALL may be extended and additions made thereto;
- (iv) the location of every expansion of the LANDLORD'S BUILDINGS (except a vertical expansion, and an expansion which conforms with the proposed expansion which is identified as such, and the location of which is shown, on the SITE

PLAN) and of every PARKING STRUCTURE in the LANDLORDS PARKING FACILITIES on the LANDLORDS LAND shall be in accordance with a site plan which has been approved by the TENANT (such approval not to be unreasonably withheld, having regard to all relevant factors including architecture, integration, a reasonable balance of access and parking, relative visibility and the degree of interference therewith, and the relative practicability of alternative locations available therefor);

(v) prior to commencing construction of any expansion of the LANDLORDS BUILDINGS or COMMON FACILITIES (including PARKING STRUCTURES) the LANDLORD shall submit plans and specifications therefor (but which, except for COMMON FACILITIES, need not include details of interior design) to the TENANT for the approval of the TENANT (which approval shall not be unreasonably withheld, having regard to the factors mentioned in paragraph (iv) and other relevant factors); and

(vi) every expansion of the LANDLORDS BUILDINGS or COMMON FACILITIES (including PARKING STRUCTURES) shall be constructed in accordance with the plans and specifications thereof which have been approved by the TENANT, and in a good and workmanlike manner and in accordance with all applicable municipal and governmental statutes, regulations and by-laws, and such construction shall be constructed expeditiously and in such manner as to minimize to the extent reasonably possible interference with the business conducted in the CENTRE including that of the TENANT.

Section 16.2 The LANDLORD may from time to time permit EATONS to make alterations to or reconstructions of the EATONS BUILDING for the purpose of adapting the EATONS BUILDING for the better use of EATONS in the conduct of its business, and may from time to time make alterations to or reconstructions of the LANDLORDS BUILDINGS, provided that:

(1) no alterations or reconstructions which would alter the architectural appearance or general standard of such buildings or affect in any material degree their integration with the balance of the CENTRE shall be made without the prior written approval of the TENANT (which approval shall not be unreasonably withheld);

(2) the NET FLOOR AREA of the EATONS BUILDING and of the LANDLORDS BUILDINGS shall not be increased unless Section 16.1 is complied with, and shall not be reduced to less than the respective NET FLOOR AREAS thereof at the date of commencement of the TERM: and

(3) every reconstruction and major alteration of the LANDLORDS BUILDINGS shall be constructed in accordance with plans and specifications which disclose the structure and architectural appearance thereof and its integration with the balance of the CENTRE and which have been approved by the TENANT (such approval not to be unreasonably withheld provided all the requirements of this lease applicable thereto are complied with), and every reconstruction or alteration shall accord with all applicable municipal or governmental statutes, regulations and by-laws, and the construction thereof shall be conducted expeditiously and in such manner as to minimize to the extent reasonably possible interference with the business conducted in the CENTRE including that of the TENANT.

Section 16.3 The LANDLORD may from time to time make alterations to or reconstructions of the COMMON FACILITIES provided that:

(1) the part of the MALL as originally constructed shall not be substantially altered without the consent of the TENANT (such consent not to be unreasonably withheld);

(2) no alteration shall be made to the SIMPSONS PARKING FACILITIES without the consent of the TENANT;

(3) any alteration in the location or arrangement of the LANDLORDS PARKING FACILITIES shall preserve a reasonable balance of such facilities with relation to all the buildings in the CENTRE, shall be made in accordance with a site plan which has been submitted for approval by the TENANT (which approval shall not be unreasonably withheld) and shall not result in the number of PARKING SPACES provided being reduced to less than is required by Section 17.1; and

(4) no alteration in the DELIVERY FACILITIES or COMMON UTILITIES shall result in any of them being materially less suitable for use for their intended purposes.

Section 16.4 89
The LANDLORD will use all reasonable efforts, in connection with any expansion, reconstruction, alteration, maintenance, repair or replacement to the EATONS BUILDING, the LANDLORDS BUILDINGS or the COMMON FACILITIES, to the extent within its reasonable control to conduct or cause to be conducted such work so as to minimize interference with the use of COMMON FACILITIES and the SIMPSONS BUILDING, and where reasonable and practicable to do so where any such work which might reasonably be expected to interfere materially with the use of COMMON FACILITIES, to schedule or cause to be scheduled such work so as to avoid such interference during the period from October 1st in any year to January 15th in the succeeding year.

ARTICLE XVIIPARKING FACILITIES

Section 17.1 Except as provided in Section 17.4, the LANDLORD shall provide (or cause BATONS to provide, in respect of the BATONS BUILDING) LANDLORD'S PARKING FACILITIES (to be constructed without expense to the TENANT) which contain not fewer than the greater of:

- (i) the number of PARKING SPACES which represents a ratio of five (5) PARKING SPACES for each 1,000 square feet of NET FLOOR AREA of RETAIL SPACE in the CENTRE exclusive of the SIMPSONS BUILDING, and
- (ii) sufficient parking to comply with all the legally enforceable requirements of municipal authorities (including agreements and by-laws) applicable to the CENTRE exclusive of the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA.

Section 17.2 Except as provided in Sections 17.3 and 17.4, the TENANT shall provide SIMPSONS PARKING FACILITIES (to be constructed without expense to the LANDLORD) which contain not fewer than the greater of:

- (i) the number of PARKING SPACES which represent a ratio of five (5) PARKING SPACES for each 1,000 square feet of NET FLOOR AREA of RETAIL SPACE in the SIMPSONS BUILDING, and
- (ii) sufficient parking to comply with all legally enforceable requirements of municipal authorities (including agreements and by-laws) applicable to the SIMPSONS BUILDING and the SIMPSONS OUTDOOR SELLING AREA.

Section 17.3 The LANDLORD will initially provide for the CENTRE PARKING FACILITIES at grade level containing sufficient parking in connection with the buildings to be constructed

initially in the CENTRE pursuant to the CONSTRUCTION AGREEMENT to comply with Sections 17.1 and 17.2 at the time of their construction.

Section 17.4 If the number of PARKING SPACES required in respect of the NET FLOOR AREA of buildings in the CENTRE shall be increased as a result of a change in by-laws or other municipal requirements, either party may require the other party to negotiate (and the LANDLORD shall use its best efforts to cause EATONS to negotiate) arrangements for the sharing of increased costs of construction, and of the cost of operating and maintaining PARKING FACILITIES which shall be equitable in all the circumstances, and in the event that such arrangements are agreed the relevant provisions of this Lease shall be appropriately amended, but failing agreement no expansion of any building in the CENTRE, the expansion of which necessitates that additional parking be provided in order to comply with such by-laws or other municipal requirements not only in respect of such expansion but also in respect of other existing space in the CENTRE, shall take place unless the party constructing such expansion shall provide at its own cost all additional parking required for the CENTRE in order to comply therewith. 91

Section 17.5 The LANDLORD has implemented the provisions of this Article XVII by obtaining the appropriate complementary agreement from EATONS, and shall enforce such agreement for the benefit of the TENANT.

ARTICLE XVIIIPROVISOS AND REMEDIES

Section 18.1 Provided that the TENANT may remove its fixtures.

Section 18.2 Only upon the expiration of the period of time for payment after the giving of a notice by the LANDLORD to the TENANT under Section 18.3, such payment not having been made by the end of such period, or upon the expiration of the period of time for fulfilment of a covenant after the giving of a notice by the LANDLORD to the TENANT as contemplated under Section 18.4, such covenant not having been fulfilled by the end of such period, then and only in either or both of such cases it shall be lawful for the LANDLORD at any time thereafter to re-enter the SIMPSONS LAND or any part thereof in the name of the whole and to have again, repossess and enjoy the same as of the LANDLORD'S former estate and, upon such re-entry, this Lease and the TERM shall be at an end.

Section 18.3 Neither the LANDLORD nor the TENANT shall exercise any right or remedy under this Lease resulting from non-payment of money by the other of them until the party proposing such exercise shall have given the other of them notice in writing of such non-payment and such other shall have failed to make such payment within a period of thirty (30) days after the giving of such notice.

Section 18.4 Neither the LANDLORD nor the TENANT shall exercise any right or remedy under this Lease resulting from non-performance of any covenant or agreement of the other of them (except a covenant or agreement to pay money):

- 92
- (i) in a case where this Lease expressly provides for a notice to be given, time after the giving of notice to elapse, or other conditions affecting the exercise of the right or remedy to have been fulfilled, until such notice has been given, time elapsed or other conditions fulfilled (as the case may be), or

18-2

(ii) in any other case not so expressly provided for, until the party proposing such exercise shall have given the other of them notice in writing of such non-performance and such other shall not have performed such covenant or agreement within such period after the giving of such notice as would be reasonably necessary to enable such other to perform such covenant or agreement with the exercise of due diligence.

Section 18.5 Nothing contained in Section 18.4 shall prevent the supply or provision of any service or utility or the doing of work or the making of any repairs by either the LANDLORD or the TENANT in the course of remedying, pursuant to the provisions of this Lease, any default by the other.

93

ARTICLE XIXMISCELLANEOUS

Section 19.1 The LANDLORD and the TENANT shall use their best efforts to obtain from taxing authorities having jurisdiction separate assessments of lands, buildings or improvements or parts thereof (as the case may be) wherever such separate assessments are required for the application of provisions of this Lease in order to determine the amount of any taxes which the TENANT is obliged to pay or to which the TENANT is required to contribute under the provisions of this Lease, and being more particularly separate assessments of the SIMPSONS BUILDING, the portion of the SIMPSONS LAND occupied by the SIMPSONS BUILDING, improvements constructed by the TENANT on the SIMPSONS OUTDOOR SELLING AREA, COMMON FACILITIES and land occupied by or fairly attributed to COMMON FACILITIES, each of which separate assessments shall be made on the same general basis as the assessment of the CENTRE and the SITE as a whole, but having regard to the definition and description under this Lease of the lands, buildings or improvements or parts thereof (as the case may be) for which such separate assessments are required. The separate assessments so arrived at shall be fair and equitable, having regard to their intended application and the provision of this Lease - for example, in the case of any land occupied at one or more levels by buildings and improvements which are in different categories under this Lease, the assessments shall fairly reflect by an appropriate apportionment the various uses made of such land (for example, where land is occupied both by parts of the SIMPSONS BUILDING and parts of the COMMON FACILITIES, at various levels, the assessment of such land shall be equitably apportioned and attributed, for purposes of this Lease, in part to the SIMPSONS LAND and in part to land occupied by COMMON FACILITIES). Where any separate assessment required for the purposes of this Lease is not obtainable from the taxing authority it shall where possible be

94

determined by the LANDLORD on the basis of the method of assessment and information which would have been used for the purpose by the taxing authority, had it made such separate assessment, if such method and information is ascertainable and is capable of being reasonably so applied. Where any such separate assessment is required for the purposes of this Lease, but either the taxing authority has made such a separate assessment but such separate assessment has not been made on a basis consistent with the criteria set out in Section 19.1, or the taxing authority has not made such a separate assessment and the method and information is not available to determine what such separate assessment would have been if made or such method and information is available but is not a basis for assessment consistent with the criteria set out in Section 19.1 or is not capable of being reasonably so applied, the LANDLORD shall determine such separate assessment on a basis consistent with the criteria set out in Section 19.1, and if such separate assessment as determined by the LANDLORD is not acceptable to the TENANT, the amount of such separate assessment shall be determined by arbitration pursuant to Section 19.9 and in making such determination the arbitrators shall have regard to the criteria set out in Section 19.1. Each of the LANDLORD and the TENANT shall use its best efforts to keep the other party informed of all discussions and proposed negotiations by it with taxing authorities which in any way relate to the obtaining of the separate assessments required for the application of the provisions of this Lease and referred to in this Section 19.1, or of any contestation by it pursuant to Section 19.2 of taxes which it is obligated to pay in whole or in part and which may in any way affect the separate assessments required for the application of the provisions of this Lease and referred to in this Section 19.1, with the intent that such other party shall have the right to participate in any such discussions, negotiations or contestation which might affect its rights or obligations under this Lease.

Section 19.2 (1) The LANDLORD shall have the right to contest by legal proceedings or in such other manner as it may deem suitable (which, if instituted, the LANDLORD shall conduct promptly at its own expense, and free of any expense to the TENANT), any tax (including any assessment, local improvement rate or business

(tax) which the LANDLORD is obligated to pay in whole or in part or the validity of any statute, order-in-council, by-law, rule or regulation (whether federal, provincial or municipal) imposing the same, or any mechanic's or other statutory lien or like claim which the LANDLORD is obligated to pay, or any municipal by-law or other legal requirement effecting the CENTRE. The LANDLORD may defer payment of such contested tax or lien or compliance with such contested by-law or other legal requirement, upon the condition that before instituting any such proceedings the LANDLORD shall furnish to the TENANT or to any mortgagee of the leasehold interest of the TENANT in the SIMPSONS LAND that the TENANT may designate a surety bond, a cash deposit or other security satisfactory to the TENANT and such mortgagee, sufficient to secure payment of the amount of such contested tax or lien, or secure compliance with such contested by-law or other legal requirement, with interest, penalties and costs for the period which such proceedings may be expected to take. Notwithstanding the furnishing of any such bond or security other than a cash deposit, the LANDLORD shall promptly pay such contested tax or lien or comply with such contested by-law or other legal requirement if at any time the CENTRE or any part thereof shall be in danger of being sold, forfeited or otherwise lost or in jeopardy, or the continued use thereof shall be in danger of being enjoined. If, however, the LANDLORD shall have made a cash deposit and the CENTRE or any part thereof shall be in danger of being sold, forfeited or otherwise lost or in jeopardy, or the continued use thereof shall be in danger of being enjoined, the TENANT or such mortgagee, as the case may be, may pay such contested tax or lien or comply with such contested by-law or other legal requirement out of such deposit and in any event when any contested tax or lien shall have been paid or found to be not payable, or any contested by-law or other legal requirement shall have been complied with or found to be not applicable, any balance of any such cash deposit not so applied shall be repaid to the LANDLORD without interest. The legal proceedings herein referred to shall include appropriate proceedings to review tax assessments and

appeals from orders thereunder and appeals from any judgments, decrees or orders, but all such proceedings shall be begun as soon as possible after the imposition of any such tax or lien or by-law or other legal requirement and shall be prosecuted to final adjudication with dispatch. The LANDLORD shall also have the right to intervene in any expropriation proceedings, defend and prosecute any claims affecting it and in general take any appropriate action to protect and enforce its rights and interests in the CENTRE and under this Lease.

(2) The TENANT shall have the right to contest by legal proceedings, or in such other manner as it may deem suitable, (which, if instituted, the TENANT shall conduct promptly at its own expense, and free of any expense to the LANDLORD and, if necessary, in the name of the LANDLORD) any tax (including any assessment, local improvement rate or business tax) which the TENANT is obligated to pay in whole or in part or the validity of any statute, order-in-council, by-law, rule or regulation (whether federal, provincial or municipal) imposing the same, or any mechanic's or other statutory lien or like claim which the TENANT is obligated to pay, or any municipal by-law or other legal requirement affecting the SIMPSONS LAND. The TENANT may defer payment of such contested tax or lien or compliance with such contested by-law or other legal requirement, upon the condition that before instituting any such proceedings the TENANT shall furnish to the LANDLORD or to any mortgagee of the CENTRE that the LANDLORD may designate a surety bond, a cash deposit or other security satisfactory to the LANDLORD and such mortgagee, sufficient to secure payment of the amount of such contested tax or lien or secure compliance with such contested by-laws or other legal requirement, with interest, penalties and costs for the period which such proceedings may be expected to take. Notwithstanding the furnishing of any such bond or security other than a cash deposit, the TENANT shall promptly pay such contested tax or lien or comply with such contested by-law or other legal requirement if at any time the CENTRE or any part thereof shall be in danger of being sold, forfeited or otherwise lost or in jeopardy, or the continued use thereof shall be in danger of being enjoined. If, however, the TENANT shall have made a cash deposit and the CENTRE

97

or any part thereof shall be in danger of being sold, forfeited or otherwise lost or in jeopardy, or the continued use thereof shall be in danger of being enjoined, the LANDLORD or such mortgagee, as the case may be, may pay such contested tax or lien or comply with such contested by-law or other legal requirement out of such deposit and in any event when any contested tax or lien shall have been paid or found to be not payable, or any contested by-law or other legal requirement shall have been complied with or found to be not applicable, any balance of any such cash deposit not so applied shall be repaid to the TENANT without interest. The legal proceedings herein referred to shall include appropriate proceedings to review tax assessments and appeals from orders thereunder and appeals from any judgments, decrees or orders, but all such proceedings shall be begun as soon as possible after the imposition of any such tax or lien or by-law or other legal requirement and shall be prosecuted to final adjudication with dispatch. The TENANT hereby covenants with the LANDLORD that if and whenever the TENANT shall contest any such tax, lien, by-law or other legal requirement or the validity of any such statute, order-in-council, by-law, rule or regulation imposing same, the TENANT will indemnify and save the LANDLORD harmless from all loss and damage, cost and expense suffered by the LANDLORD by reason of the TENANT undertaking such contest. The TENANT shall also have the right to intervene in any expropriation proceedings, defend and prosecute any claims affecting it and in general take any appropriate action to protect and enforce its rights and interests in the SIMPSONS LAND and under this Lease.

Section 19.3 The LANDLORD and the TENANT each covenant that, upon request by the other, it will notify such other promptly of the commencement, duration and cause, so far as the same is within the knowledge of the party in question, of any UNAVOIDABLE DELAYS, which will in any way affect the running of any period of time then in question.

Section 19.4 This Lease shall be governed by and construed in accordance with the laws of the Province of Ontario. If any provision, or portion thereof, 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 provision, or portion thereof, to any other persons or circumstances shall not be affected thereby and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 19.5 The failure of the TENANT or the LANDLORD to insist in any one or more cases upon the performance of any of the provisions, covenants or conditions of this Lease or to exercise any option herein contained shall not be construed as a waiver or a relinquishment for the future of any such provision, covenant, condition or option. Receipt by either the TENANT or the LANDLORD from the other of any payment or the acceptance or performance of anything required by this Lease to be performed with knowledge of the breach of a provision, covenant or condition of this Lease shall not be deemed a waiver of such breach, and no waiver of any provision, covenant or condition of this Lease shall be deemed to have been made unless expressed in writing and signed by the party against whom such waiver is charged. 99

Section 19.6 The table of contents and the captions and headings throughout this Lease are for convenience of reference only and the words contained therein shall in no way be held or deemed to define, limit, describe, explain, modify, amplify or add to the interpretation, construction or meaning of any provision of or the scope or intent of this Lease nor in any way affect this Lease.

Section 19.7 This Lease cannot be changed or terminated orally but may be changed or (except as otherwise provided herein in the case of certain default) terminated only by an agreement in writing signed by the party against whom enforcement of any change or termination is sought.

19-7

Section 19.8 Any remedies of either party to this Lease are cumulative and additional (except where a contrary intention is expressed) to any and all other remedies to which each of them may be entitled in law or in equity and shall include the right to restrain by injunction any violation or threatened violation by either party of any of the terms, covenants or conditions of this Lease and to compel specific performance of any such terms, covenants and conditions.

Section 19.9 Whenever pursuant to any provision of this Lease any dispute arising between the parties is expressed to be referable to arbitration, the following provisions shall apply thereto:

(1) Any party desiring such arbitration may at any time give written notice to the other party of its desire to arbitrate, stating with reasonable particularity the matter to be arbitrated and nominating an arbitrator;

(2) The party to whom such notice is given shall, within five (5) business days after the giving of such notice, give notice to the other party nominating an arbitrator, but if such party fails to make such nomination, or if an arbitrator nominated by either party is unable or unwilling to act and the party nominating him fails to nominate a successor arbitrator, the other party may apply to a Judge of the Supreme Court of Ontario to appoint an arbitrator on behalf of the party failing to make such nomination;

(3) The two arbitrators nominated or appointed as aforesaid shall within five (5) business days after the nomination or appointment of the latter of them to be nominated or appointed, jointly appoint a third arbitrator, but if they fail to agree on and make such appointment, or if a third arbitrator so appointed is unable or unwilling to act and the two arbitrators aforesaid fail to agree on and appoint a successor, either party may apply to a Judge of the Supreme Court of Ontario to appoint such third arbitrator; and

(4) The three arbitrators so appointed shall promptly proceed to determine and decide the dispute between the parties, and the decision of a majority of such arbitrators shall be binding upon the parties, and the parties shall promptly give effect to and comply with such decision. The cost of any arbitration shall be borne between the parties in such manner as a majority of the arbitrators shall determine.

Section 19.10 It is a condition of this Lease that this Lease is to be effective only if the provisions of Section 29 of The Planning Act, R.S.O. 1970, are complied with. It is in contemplation of the parties that prior to the execution and delivery of this Lease the consent of the Committee of Adjustment of the Borough of Scarborough thereto shall have been obtained (in which case the above condition shall have been complied with and this Lease shall be fully effective), but otherwise the LANDLORD and the TENANT shall apply for and utilize their joint endeavours to obtain the requisite consent of the said Committee of Adjustment to this Lease, upon the obtaining of which consent the said condition shall have been complied with and this Lease shall be fully effective.

Section 19.11 It is in contemplation of both parties that the CENTRE including the SIMPSONS BUILDING shall be repaired, maintained and operated in accordance with the good general practice as from time to time observed by prudent owners of Canadian regional shopping centres, and accordingly the respective covenants of the TENANT and the LANDLORD relating to the repair, maintenance and operation respectively of the SIMPSONS BUILDING and of the balance of the CENTRE shall be read and construed accordingly. More particularly, it is agreed that repairs effected by either party be performed with materials either the same as the materials used in original construction or a substitute therefor which shall in all respects be equal thereto in quality, use and durability.

Section 19.12 Any notice, statement, demand, request, consent, advice, approval, authorization, offer, agreement,

acknowledgment, appointment, designation or refusal which either party may desire or be required to give to the other party with regard to any matter or thing in this Lease contained shall be in writing and shall either be personally served upon such other party or an officer thereof or mailed in Metropolitan Toronto by prepaid, registered post addressed if intended for the TENANT to Simpsons, Limited (Attention: The Secretary), The Simpson Tower, 401 Bay Street, Toronto, Ontario, or if intended for the LANDLORD to Scarborough Shopping Centre Limited, Suite 140, Yorkdale Shopping Centre, Toronto, Ontario, and every such notice, statement, demand, request, consent, advice, approval, authorization, offer, agreement, acknowledgment, appointment, designation or refusal shall be deemed given for all purposes hereunder on the date it was personally served or if mailed, it shall be deemed so given on the third business day following the date on which it was so mailed. Any party hereto may at any time and from time to time give notice in writing to the other parties of any change of address of the party giving such notice and from and after the giving of such notice the address therein specified shall be deemed to be the address of such party for the giving of notices hereafter.

102

Section 19.13 Wherever, under any provision of this Lease, either of the LANDLORD or the TENANT is required to approve any plans or specifications, any request for such approval shall be treated with reasonable promptness in all the circumstances, and in any event the party whose approval is required shall within thirty (30) days after such approval is requested either grant such approval or notify the requesting party as to the reasons for the withholding of such approval.

Section 19.14 Whenever the performance by either of the LANDLORD or the TENANT of any covenant or obligation contained in this Lease (other than a covenant or obligation to pay rent or other monies) is prevented, delayed or interrupted because of any UNAVOIDABLE DELAY, the time for the performance of such covenant or obligation shall be extended for a period equal

to the time during which such UNAVOIDABLE DELAY operates to prevent, delay or interrupt such performance, and the party obligated to perform such covenant or obligation shall not be considered to be in default in performing such covenant or obligation until the expiration of the time for its performance as so extended, except as to any default not excused by this provision and provided such party has acted in a reasonable business manner with respect to such UNAVOIDABLE DELAY and so as to avoid or minimize such prevention, delay or interruption.

Section 19.15 If and to the extent that the SIMPSONS BUILDING as initially constructed pursuant to the CONSTRUCTION AGREEMENT derives any necessary support from, or lends any necessary support to, the MALL or any of the LANDLORDS BUILDINGS as initially constructed pursuant to the CONSTRUCTION AGREEMENT, it is agreed that the appropriate easements and rights shall exist and continue between the parties for the continuation of such support during the TERM, and that if any wall or any load bearing element is common both to the SIMPSONS BUILDING and to the MALL or any of the LANDLORDS BUILDINGS it shall be re-¹⁰³garded for all the purposes of this Lease (including as to the obligations to construct, repair, insure and pay taxes) as being apportioned in an equitable manner between the SIMPSONS BUILDING on one hand and the MALL or LANDLORDS BUILDINGS, as the case may be, on the other.

Section 19.16 If and to the extent that the boundary line between the SIMPSONS LAND and the LANDLORDS LAND does not coincide (as it was intended to do) with the divisions between the SIMPSONS PARKING FACILITIES and the LANDLORDS PARKING FACILITIES as actually laid out and constructed and between the SIMPSONS BUILDING and the MALL and LANDLORDS BUILDINGS as actually constructed, the parties shall enter into the appropriate amendments to adjust such boundary line to accord therewith.

Section 19.17 The LANDLORD shall have the right from time to time to add to the SITE any lands within the boundaries of the

parcel bounded by Highway 401, McCowan Road, Ellesmere Road and Brimley Road and in reasonable proximity to the SITE in which the LANDLORD shall at any time have acquired an interest by purchase, lease or otherwise and shall declare to have become part of the SITE and shall use for an expansion of the CENTRE including PARKING FACILITIES; but provided that, unless the lands added to the SITE consist of lands leased by Viking Shopping Centres Limited or its successors as lessor under the GROUND LEASE to the LANDLORD as lessee under the GROUND LEASE pursuant to Sections 14.02 and 14.03 of the GROUND LEASE (and being lands in a location which fulfills the requirements of Section 14.03 of the GROUND LEASE, the LANDLORD having consulted with the TENANT prior to giving any approval thereto), the lands added to the SITE shall be in a location which has been approved by the TENANT as being a location for added lands which maintains a reasonable balance in the CENTRE, having regard to the nature of the proposed expansion of the CENTRE, the proposed use of the added lands, the location and accessibility of PARKING FACILITIES to be constructed and their relative convenience to various portions of the CENTRE as expanded, but having regard also to the availability or non-availability (as the case may be) of potential alternative locations for added lands which might be more suitable. 104

Section 19.19 In consideration of the sum of one dollar now paid by the TENANT and by VIKING to each other (the receipt and sufficiency of which is hereby by each acknowledged) VIKING and the TENANT agree that:

- (i) If VIKING shall become entitled to and shall terminate the GROUND LEASE on account of any breach or non-performance by the Tenant under the GROUND LEASE, by re-entry, forfeiture or otherwise, VIKING agrees that (provided the LANDLORD shall not then be in a position to re-enter the SIMPSONS LAND, having given notice to the TENANT under either or both Section 18.3 or Section 18.4 and the time permitted for payment or fulfilment of a covenant having elapsed without such payment or

fulfilment having been made) it shall be bound by this Lease as if VIKING were the LANDLORD and had executed this Lease as LANDLORD and that, upon the request of the TENANT, VIKING shall grant to the TENANT further assurances to confirm to the TENANT the lease of the SIMPSONS LAND, together with the right to maintain any portions of the SIMPSONS BUILDING which may at OPENING DATE, or at any time thereafter, encroach on, under or over the LANDLORDS LAND and the non-exclusive rights of use and other rights of the TENANT as contemplated by this Lease, but reserving to VIKING the matters reserved to the LANDLORD under this Lease, for a term equal in duration to the then remaining residue of the TERM, at the same on-going rent and in accordance with the same provisions as are set out in this Lease as if VIKING were the LANDLORD, the foregoing matters and all other matters to be upon the same terms and to include the same rights, covenants, provisos, agreements and conditions as are contained in this Lease including without limitation the rights of the TENANT to extend the TERM of the Lease as provided in Section 3.2 of this Lease and incorporating by reference, with modifications in points of detail and with deletion of points then having no further application, the provisions of the SIMPSONS RENT AGREEMENT;

- (ii) VIKING shall give written notice to the TENANT promptly upon any termination of the GROUND LEASE being effected;
- (iii) In the event that it shall be necessary to comply with the provisions of Section 29 of The Planning Act of Ontario, as such provisions may have been amended to the relevant time, it shall be a condition of the Lease and other arrangements between VIKING and the TENANT that they shall apply for and utilize their joint

endeavours to obtain all requisite consents, if any consent is necessary to enable compliance, to the confirmation of the Lease and other arrangements between them in accordance with the provisions of this Section 19.19; and

(iv) Notwithstanding any provision of this Lease to the contrary, until VIKING shall become entitled to and shall terminate the GROUND LEASE as aforesaid, no provisions contained in this Lease shall apply to VIKING other than the provisions of Sections 2.1 (c) and 19.19 and the definitions and capitalized terms referred to in such Sections and VIKING shall not be liable to the TENANT for any obligation or default of the LANDLORD hereunder to the extent that such obligation or default occurred prior to the time when VIKING shall have become entitled to and shall have terminated the GROUND LEASE as aforesaid.

106

Section 19.18 The covenants, conditions, agreements and provisions herein contained shall enure to the benefit of and be binding upon the successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties hereto have executed this Indenture.

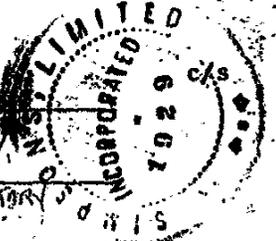
SCARBOROUGH SHOPPING CENTRE

Kenneth C. Quinn
PRESIDENT
deals
VICE PRESIDENT



SIMPSONS, LIMITED

[Signature]
DIRECTOR
[Signature]
SECRETARY



VIKING SHOPPING CENTRES LIMITED

[Signature]
DIRECTOR
[Signature]
SECRETARY



c/s

SCHEDULE ADescription of SITH

FIRSTLY:

Block M on Plan M-1410 (Borough of Scarborough) registered in the Office of Land Titles at Toronto;

SUBJECT to an easement in favour of The Corporation of the Borough of Scarborough expropriated by By-law 9224 over that part of said Block M shown in broken outlines on said Plan M-1410 for the purpose of constructing and maintenance of a permanent storm and sanitary trunk sewer, as set out in A-71301;

AND SUBJECT to an easement in favour of Bell Canada over that part of said Block M designated as Parts 1 and 2 on Plan 66 R-6034 for the purpose of constructing, repairing, operating and maintaining in perpetuity its lines of telephone, telegraph and telecommunication, as set out in A-387102;

TOGETHER WITH a free and uninterrupted right of way for pedestrian passage in favour of the owner and its successors in title from time to time to each and every part of said Block N according to said Plan M-1410 and to such persons as the owner or such successors in title may from time to time permit in, over and upon Blocks RX and TX as set out in A-322822 and Blocks SX and UX as set out in A-322823 and A-344281;

and being all of the freehold lands and certain of the rights of way comprised in Parcel M-2 in the Register for Section M-1410, Scarborough, entered in the Office of Land Titles at Toronto; and

SECONDLY:

Block N on Plan M-1410 (Borough of Scarborough) registered in the Office of Land Titles at Toronto;

TOGETHER WITH a free and uninterrupted right of way for pedestrian passage in favour of the owner and its successors in title from time to time to each and every part of said Block N according to said Plan M-1410 and to such persons as the owner or such successors in title may from time to time permit in, over and upon Blocks RX and TX as set out in A-322822 and Blocks SX and UX as set out in A-322823 and A-344281;

and being all of the freehold lands and certain of the rights of way comprised in Parcel N-1 in the Register for Section M-1410, Scarborough, entered in the Office of Land Titles at Toronto.

107

SCHEDULE B

Description of SIMPSONS LAND

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Borough of Scarborough, in the Municipality of Metropolitan Toronto and being composed of Block N and part of Block M as shown on a plan registered in the Office of Land Titles at Toronto as Number M-1410, more particularly described as follows:

COMMENCING at the southwestly angle of Block SX according to said Plan M-1410,

THENCE North 74° 53' 50" East a distance of 1.00';

THENCE on a curve to the left of radius 484.00' an arc distance of 300.62', the chord equivalent being 295.81' measured on a course North 32° 53' 50" West;

THENCE North 50° 41' 30" West a distance of 2.73';

THENCE on a curve to the right of radius 49.00' an arc distance of 68.12', the chord equivalent being 62.76' measured on a course of North 10° 52' 00" West;

THENCE on a curve to the left of radius 494.00' an arc distance of 158.78', the chord equivalent being 158.10' measured on a course of North 19° 45' 00" East;

THENCE North 10° 32' 30" East a distance of 192.96";

THENCE North 79° 27' 30" West a distance of 1.00' to the northwesterly angle of said Block SX;

THENCE North 10° 32' 30" East along the easterly limit of Borough Drive 120.00';

THENCE on a curve to the right of radius 477.00' an arc distance of 336.94' the chord equivalent being 329.98' measured on a course of North 30° 46' 50" East;

THENCE South 37° 17' 30" East a distance of 163.37';

THENCE South 61° 56' 50" East a distance of 238.39';

THENCE South 28° 41' 30" West a distance of 187.10';

THENCE South 61° 08' 10" East a distance of 291.28';

THENCE South 28° 30' 00" West a distance of 12.88';

THENCE South 28° 50' 30" West a distance of 336.98';

THENCE South 28° 29' 50" West a distance of 37.92';

THENCE South 61° 05' 10" East a distance of 22.67';

THENCE South 29° 20' 40" West a distance of 175.95';

THENCE South 73° 44' 40" West a distance of 324.03';

THENCE on a curve to the left of radius 483.00' an arc distance of 90.81' the chord equivalent being 90.81' measured on a course of North 09° 42' 20" West

The above described lands contain 11.304 acres and being shown on the plan annexed as

108

483.00' an arc distance of 90.81' the chord equivalent being 90.81' measured on a course of North 09° 42' 20" West
Pursuant to Subsection 20 of Sec. 42 of The Planning Act as amended by the Planning Act, 1974, the Board of Secretaries of the Municipality of Scarborough was given authority to execute this Schedule B.
on <u>Oct 8</u> 19 <u>74</u>
in connection with the transaction to which the within instrument relates.
Dated This <u>8th</u> Day Of <u>Nov</u> 19 <u>74</u>
<u>B. Jones</u> SECRETARY-TREASURER

PLAN SHOWING BLOCK N AND PART OF
 BLOCK M, REGISTERED PLAN M-1410
 BOROUGH OF SCARBOROUGH
 MUNICIPALITY OF METROPOLITAN TORONTO
 SCALE 1" = 100'

PROGRESS AVENUE

BLOCK N

PARKING AREA

BLOCK M

SIMPSON'S STORE

AREA = 11.394 Acres

PARKING AREA

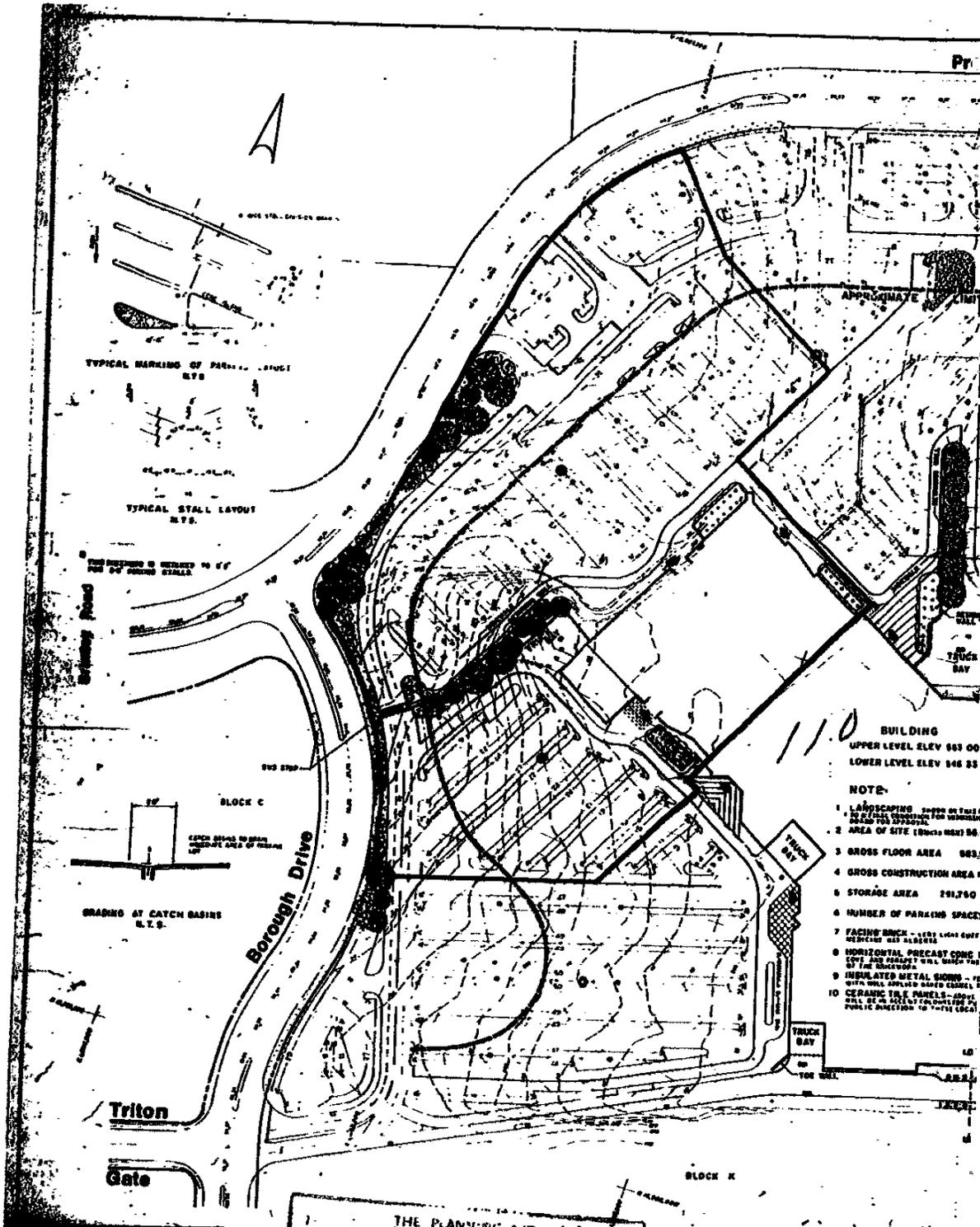
BOROUGH DRIVE

SCHEDULE 'B'
 TO SIMPSON'S LEASE

10.9

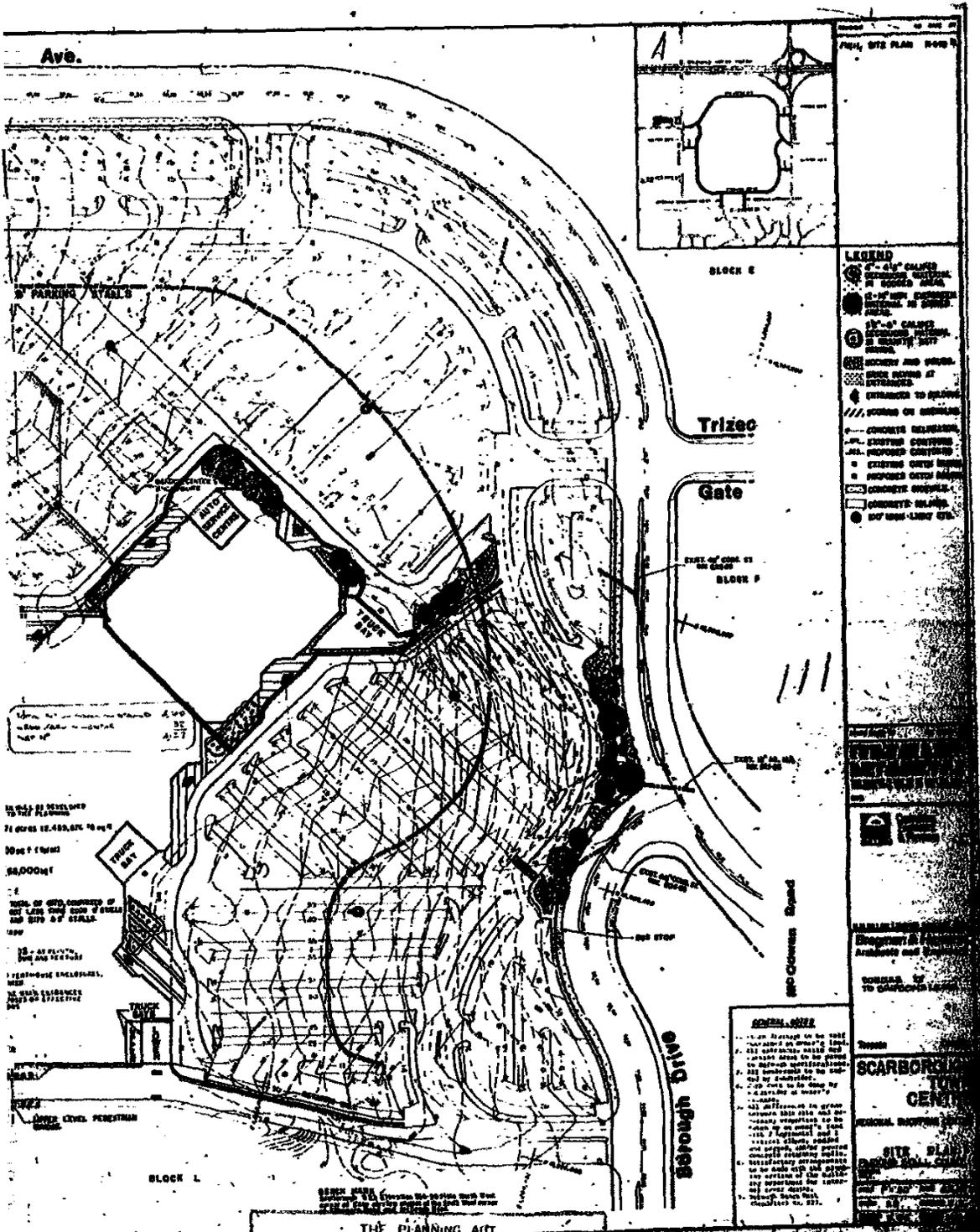
MARSHALL MACKIN MONEGHAN
 L.L.B.
 1000 SHEPPARD AVENUE EAST
 TORONTO, ONT. M2P 1L7
 TEL. 461-1111

THE PLANNING ACT
 CERTIFICATE OF SECRETARY-TREASURER
 Pursuant to Section 20 of Sec. 42 of The Planning
 Act, I certify that the consent of the Committee of
 Adjustment of the Borough of Scarborough was given
 in the transaction to which the within instrument
 relates.
 Dated This 8th Day Of
 May 19 74
 B. K. [Signature]
 SECRETARY-TREASURER



THE PLANNING ACT
CERTIFICATE OF SECRETARY-TREASURER
 Pursuant to Subsection 20 of Sec. 42 of the Planning Act, I certify that the consent of the Commission of Adjustment of the Borough of Scarborough was given on 6-28 1974 to the transaction to which this within instrument relates.
 Dated This 8th Day Of Nov 1974
B. K...
 SECRETARY-TREASURER

Schedule "C" to Simpsons Lease
 Part 1 of 2 parts. For greater clarity, see larger whole plan from which this and the other part of this Schedule "C" were reduced and which is incorporated herein by reference.



THE PLANNING ACT

CERTIFICATE OF SECRETARY-TREASURER

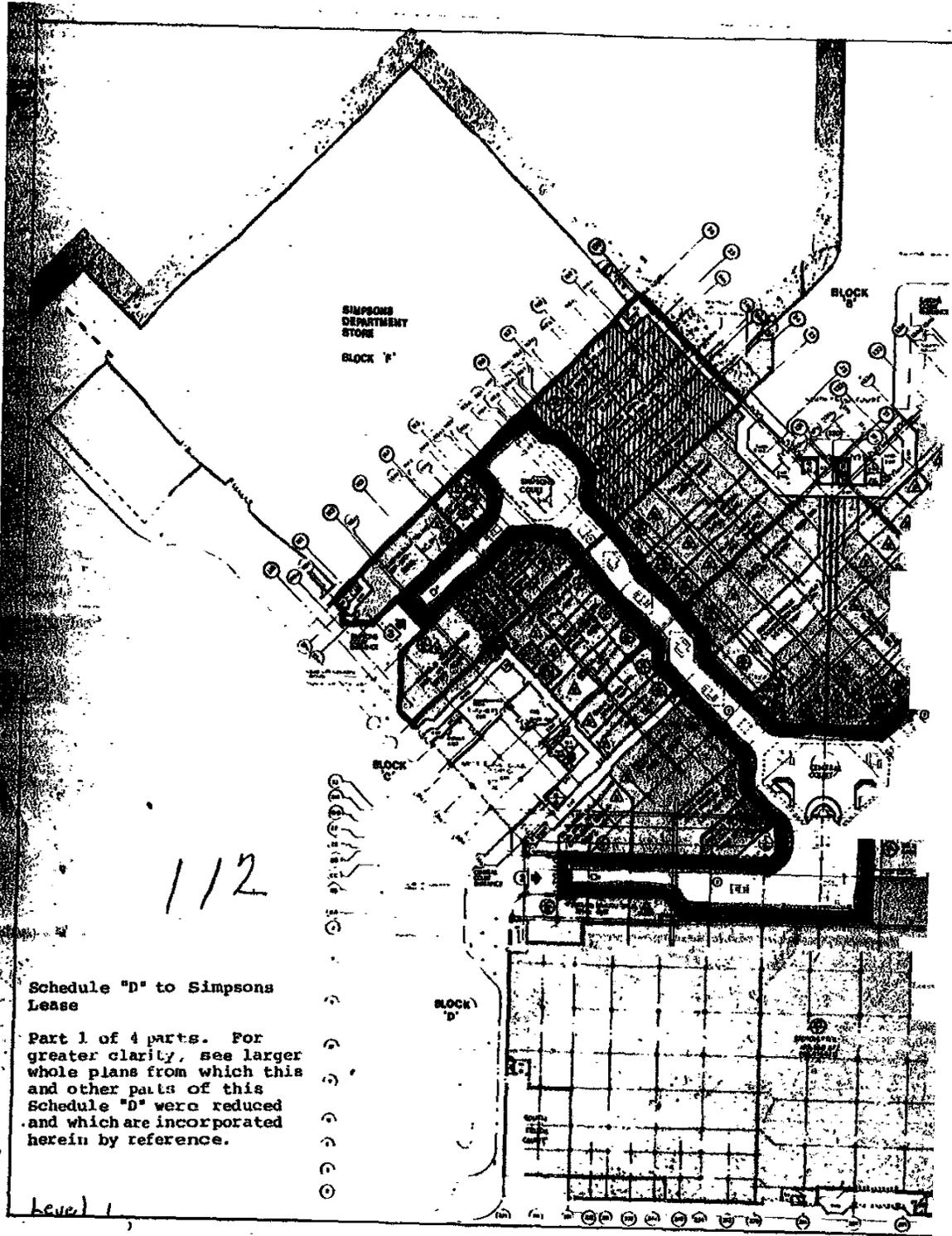
Pursuant to Subsection 20 of Sec. 42 of The Planning Act, I certify that the consent of the Committee of Adjustment of the Borough of Scarborough was given on Oct 9 1974 in the transaction to which the within instrument relates.

Dated This 8th Day of Nov 1974

B. Kapari
SECRETARY-TREASURER

Schedule "C" to Simpsons Lease

Part 2 of 2 parts. For greater clarity, see larger whole plan from which this and the other part of this Schedule "C" were reduced and which is incorporated herein by reference.

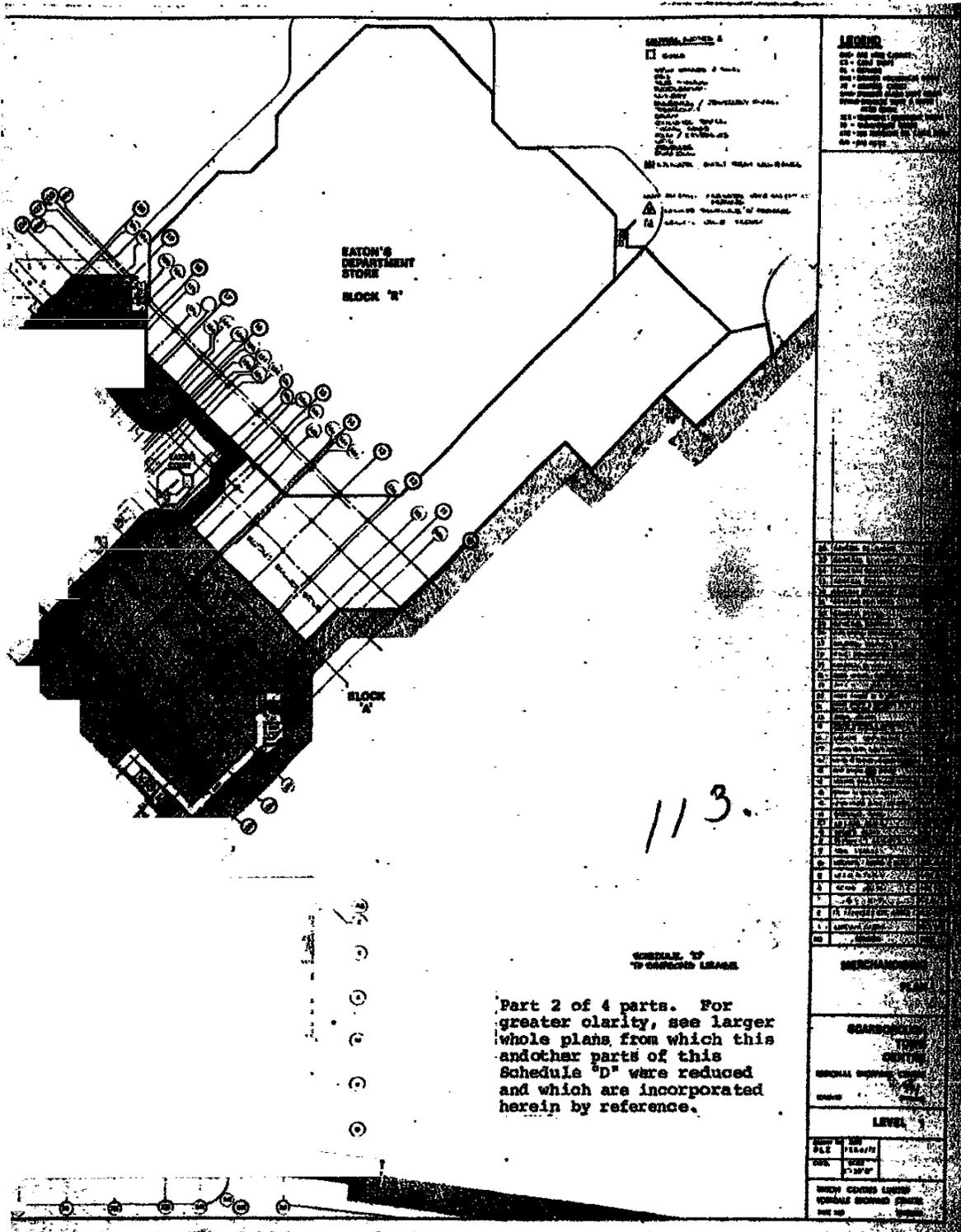


112

Schedule "D" to Simpsons Lease

Part 1 of 4 parts. For greater clarity, see larger whole plans from which this and other parts of this Schedule "D" were reduced and which are incorporated herein by reference.

Level 1



113.

Part 2 of 4 parts. For greater clarity, see larger whole plans from which this and other parts of this Schedule "D" were reduced and which are incorporated herein by reference.

LEGEND

1 - 1st Floor
2 - 2nd Floor
3 - 3rd Floor
4 - 4th Floor
5 - 5th Floor
6 - 6th Floor
7 - 7th Floor
8 - 8th Floor
9 - 9th Floor
10 - 10th Floor
11 - 11th Floor
12 - 12th Floor
13 - 13th Floor
14 - 14th Floor
15 - 15th Floor
16 - 16th Floor
17 - 17th Floor
18 - 18th Floor
19 - 19th Floor
20 - 20th Floor

SCHEDULE

1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20

LEVEL

1 - 1st Floor
2 - 2nd Floor
3 - 3rd Floor
4 - 4th Floor
5 - 5th Floor
6 - 6th Floor
7 - 7th Floor
8 - 8th Floor
9 - 9th Floor
10 - 10th Floor
11 - 11th Floor
12 - 12th Floor
13 - 13th Floor
14 - 14th Floor
15 - 15th Floor
16 - 16th Floor
17 - 17th Floor
18 - 18th Floor
19 - 19th Floor
20 - 20th Floor

MERCHANTS

1 - 1st Floor
2 - 2nd Floor
3 - 3rd Floor
4 - 4th Floor
5 - 5th Floor
6 - 6th Floor
7 - 7th Floor
8 - 8th Floor
9 - 9th Floor
10 - 10th Floor
11 - 11th Floor
12 - 12th Floor
13 - 13th Floor
14 - 14th Floor
15 - 15th Floor
16 - 16th Floor
17 - 17th Floor
18 - 18th Floor
19 - 19th Floor
20 - 20th Floor

SEASONAL

1 - 1st Floor
2 - 2nd Floor
3 - 3rd Floor
4 - 4th Floor
5 - 5th Floor
6 - 6th Floor
7 - 7th Floor
8 - 8th Floor
9 - 9th Floor
10 - 10th Floor
11 - 11th Floor
12 - 12th Floor
13 - 13th Floor
14 - 14th Floor
15 - 15th Floor
16 - 16th Floor
17 - 17th Floor
18 - 18th Floor
19 - 19th Floor
20 - 20th Floor

GENERAL

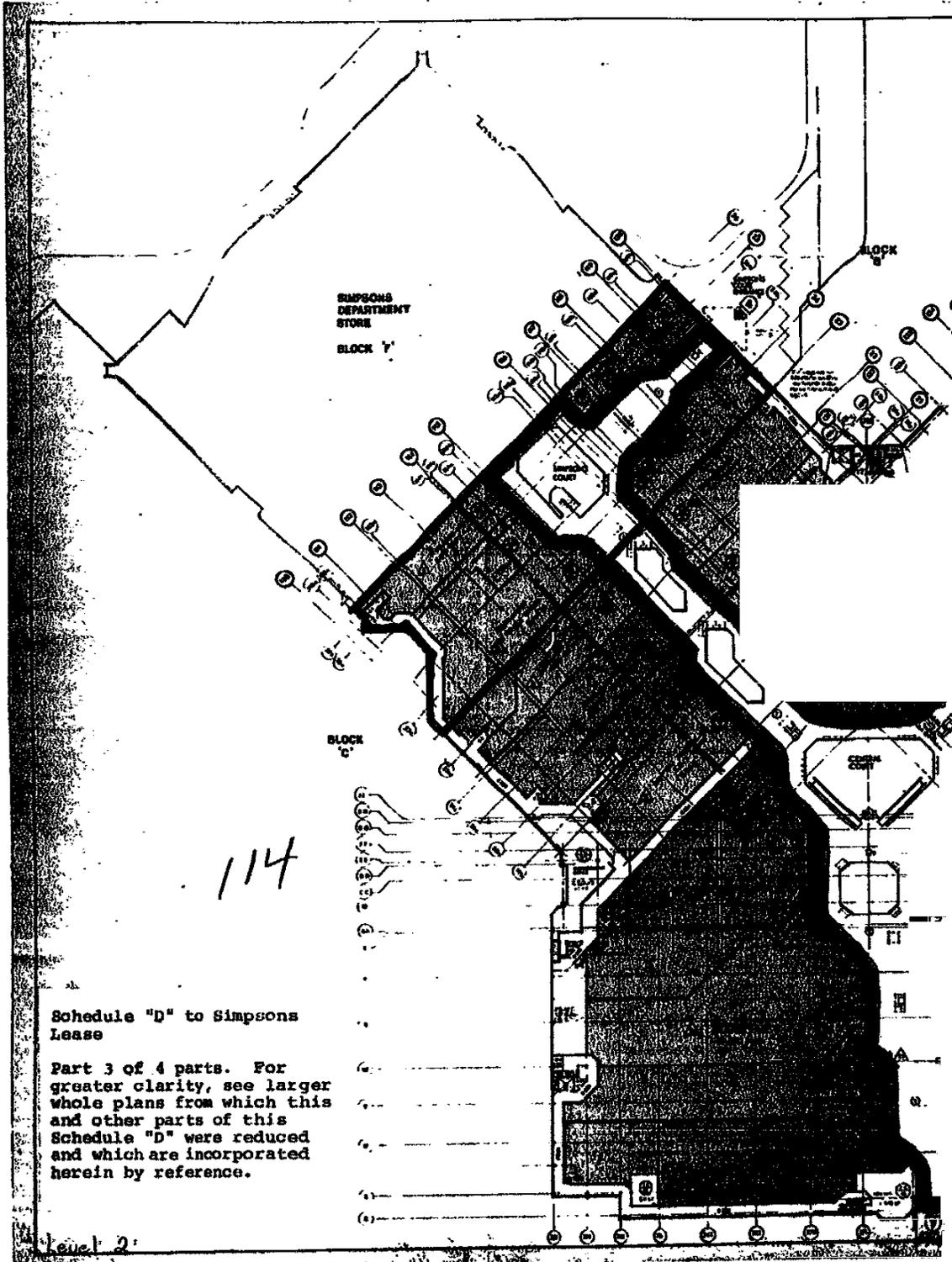
1 - 1st Floor
2 - 2nd Floor
3 - 3rd Floor
4 - 4th Floor
5 - 5th Floor
6 - 6th Floor
7 - 7th Floor
8 - 8th Floor
9 - 9th Floor
10 - 10th Floor
11 - 11th Floor
12 - 12th Floor
13 - 13th Floor
14 - 14th Floor
15 - 15th Floor
16 - 16th Floor
17 - 17th Floor
18 - 18th Floor
19 - 19th Floor
20 - 20th Floor

SPECIAL

1 - 1st Floor
2 - 2nd Floor
3 - 3rd Floor
4 - 4th Floor
5 - 5th Floor
6 - 6th Floor
7 - 7th Floor
8 - 8th Floor
9 - 9th Floor
10 - 10th Floor
11 - 11th Floor
12 - 12th Floor
13 - 13th Floor
14 - 14th Floor
15 - 15th Floor
16 - 16th Floor
17 - 17th Floor
18 - 18th Floor
19 - 19th Floor
20 - 20th Floor

TO CORRECT LEASE

1 - 1st Floor
2 - 2nd Floor
3 - 3rd Floor
4 - 4th Floor
5 - 5th Floor
6 - 6th Floor
7 - 7th Floor
8 - 8th Floor
9 - 9th Floor
10 - 10th Floor
11 - 11th Floor
12 - 12th Floor
13 - 13th Floor
14 - 14th Floor
15 - 15th Floor
16 - 16th Floor
17 - 17th Floor
18 - 18th Floor
19 - 19th Floor
20 - 20th Floor



Schedule "D" to Simpsons Lease

Part 3 of 4 parts. For greater clarity, see larger whole plans from which this and other parts of this Schedule "D" were reduced and which are incorporated herein by reference.

Level 2

PLAN OF SUBDIVISION OF PART OF LOTS 23 AND 24, CONCESSION 2 BOROUGH OF SCARBOROUGH

SCALE - 1" = 200'
Surveyed from
1971

M-1410

APPROVED FOR REGISTRATION

30 June 1971

J. J. Lindsay

Surveyor

1140 St. Lawrence St. Toronto, Ont.

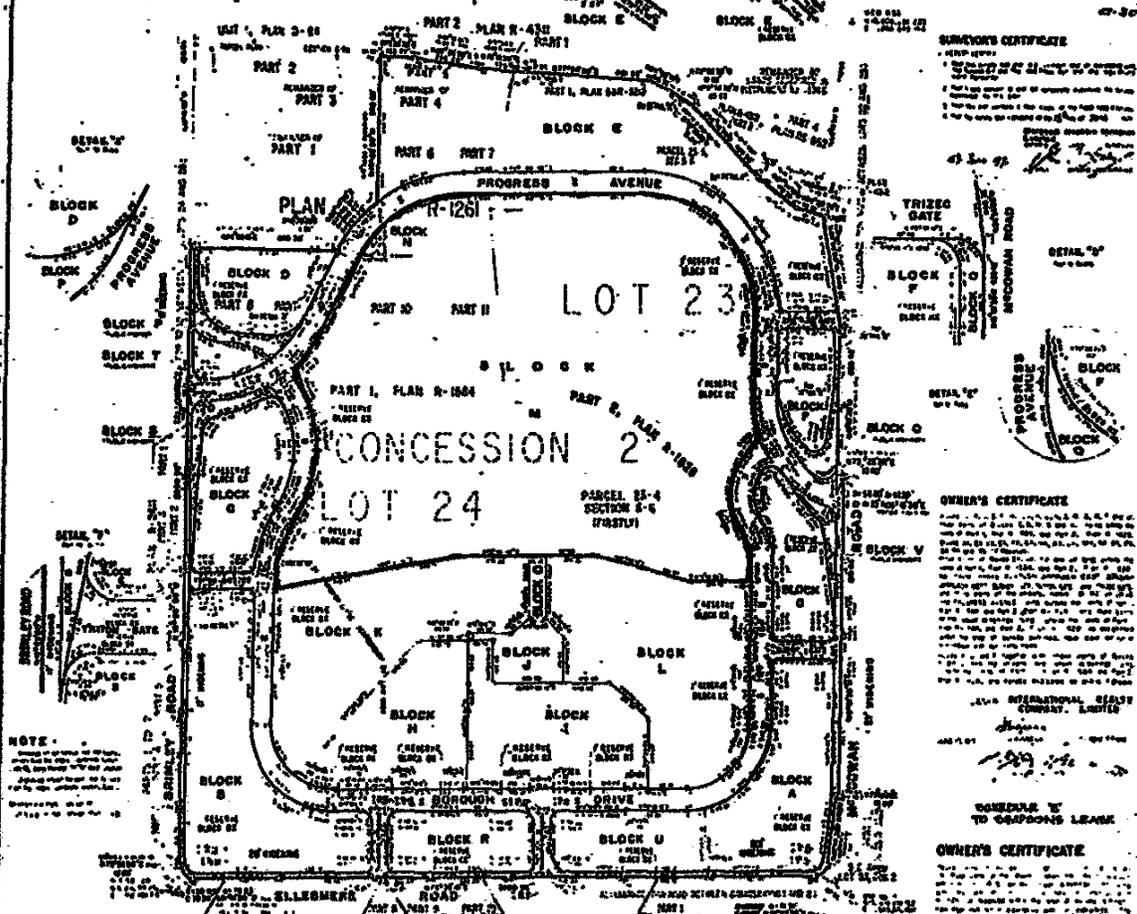
1971

1140 St. Lawrence St.

1971

1971

MACDONALD - CARTIER FREEWAY
(THE KING'S HIGHWAY No. 401)
PROPOSED PLAN 408 (1960 PLAN P-280-01)



SURVEYOR'S CERTIFICATE
I, the undersigned, being a duly qualified Surveyor in the Province of Ontario, do hereby certify that the foregoing is a true and correct copy of the original plan of subdivision as filed in my office on the 30th day of June, 1971.

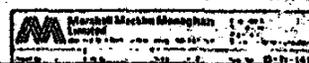
OWNER'S CERTIFICATE
I, the undersigned, being the owner of the land shown on the foregoing plan of subdivision, do hereby certify that the same is a true and correct copy of the original plan of subdivision as filed in my office on the 30th day of June, 1971.

OWNER'S CERTIFICATE
I, the undersigned, being the owner of the land shown on the foregoing plan of subdivision, do hereby certify that the same is a true and correct copy of the original plan of subdivision as filed in my office on the 30th day of June, 1971.

NOTE
The boundaries of the lots shown on this plan are based on the survey of the land shown on the plan of subdivision of the Borough of Scarborough, dated 1960, and are subject to the provisions of the Survey Act, R.S.O. 1970, c. 382.

CURVE DATA TABLE				TABLE OF AREAS	
NO.	BEARING	DISTANCE	AREA	NO.	AREA
1	N 0° 0' 0" E	100.00	15,708.00	1	15,708.00
2	N 90° 0' 0" E	100.00	15,708.00	2	15,708.00
3	N 180° 0' 0" E	100.00	15,708.00	3	15,708.00
4	N 270° 0' 0" E	100.00	15,708.00	4	15,708.00
5	N 0° 0' 0" E	100.00	15,708.00	5	15,708.00
6	N 90° 0' 0" E	100.00	15,708.00	6	15,708.00
7	N 180° 0' 0" E	100.00	15,708.00	7	15,708.00
8	N 270° 0' 0" E	100.00	15,708.00	8	15,708.00
9	N 0° 0' 0" E	100.00	15,708.00	9	15,708.00
10	N 90° 0' 0" E	100.00	15,708.00	10	15,708.00
11	N 180° 0' 0" E	100.00	15,708.00	11	15,708.00
12	N 270° 0' 0" E	100.00	15,708.00	12	15,708.00
13	N 0° 0' 0" E	100.00	15,708.00	13	15,708.00
14	N 90° 0' 0" E	100.00	15,708.00	14	15,708.00
15	N 180° 0' 0" E	100.00	15,708.00	15	15,708.00
16	N 270° 0' 0" E	100.00	15,708.00	16	15,708.00
17	N 0° 0' 0" E	100.00	15,708.00	17	15,708.00
18	N 90° 0' 0" E	100.00	15,708.00	18	15,708.00
19	N 180° 0' 0" E	100.00	15,708.00	19	15,708.00
20	N 270° 0' 0" E	100.00	15,708.00	20	15,708.00
21	N 0° 0' 0" E	100.00	15,708.00	21	15,708.00
22	N 90° 0' 0" E	100.00	15,708.00	22	15,708.00
23	N 180° 0' 0" E	100.00	15,708.00	23	15,708.00
24	N 270° 0' 0" E	100.00	15,708.00	24	15,708.00
25	N 0° 0' 0" E	100.00	15,708.00	25	15,708.00
26	N 90° 0' 0" E	100.00	15,708.00	26	15,708.00
27	N 180° 0' 0" E	100.00	15,708.00	27	15,708.00
28	N 270° 0' 0" E	100.00	15,708.00	28	15,708.00
29	N 0° 0' 0" E	100.00	15,708.00	29	15,708.00
30	N 90° 0' 0" E	100.00	15,708.00	30	15,708.00
31	N 180° 0' 0" E	100.00	15,708.00	31	15,708.00
32	N 270° 0' 0" E	100.00	15,708.00	32	15,708.00
33	N 0° 0' 0" E	100.00	15,708.00	33	15,708.00
34	N 90° 0' 0" E	100.00	15,708.00	34	15,708.00
35	N 180° 0' 0" E	100.00	15,708.00	35	15,708.00
36	N 270° 0' 0" E	100.00	15,708.00	36	15,708.00
37	N 0° 0' 0" E	100.00	15,708.00	37	15,708.00
38	N 90° 0' 0" E	100.00	15,708.00	38	15,708.00
39	N 180° 0' 0" E	100.00	15,708.00	39	15,708.00
40	N 270° 0' 0" E	100.00	15,708.00	40	15,708.00
41	N 0° 0' 0" E	100.00	15,708.00	41	15,708.00
42	N 90° 0' 0" E	100.00	15,708.00	42	15,708.00
43	N 180° 0' 0" E	100.00	15,708.00	43	15,708.00
44	N 270° 0' 0" E	100.00	15,708.00	44	15,708.00
45	N 0° 0' 0" E	100.00	15,708.00	45	15,708.00
46	N 90° 0' 0" E	100.00	15,708.00	46	15,708.00
47	N 180° 0' 0" E	100.00	15,708.00	47	15,708.00
48	N 270° 0' 0" E	100.00	15,708.00	48	15,708.00
49	N 0° 0' 0" E	100.00	15,708.00	49	15,708.00
50	N 90° 0' 0" E	100.00	15,708.00	50	15,708.00
51	N 180° 0' 0" E	100.00	15,708.00	51	15,708.00
52	N 270° 0' 0" E	100.00	15,708.00	52	15,708.00
53	N 0° 0' 0" E	100.00	15,708.00	53	15,708.00
54	N 90° 0' 0" E	100.00	15,708.00	54	15,708.00
55	N 180° 0' 0" E	100.00	15,708.00	55	15,708.00
56	N 270° 0' 0" E	100.00	15,708.00	56	15,708.00
57	N 0° 0' 0" E	100.00	15,708.00	57	15,708.00
58	N 90° 0' 0" E	100.00	15,708.00	58	15,708.00
59	N 180° 0' 0" E	100.00	15,708.00	59	15,708.00
60	N 270° 0' 0" E	100.00	15,708.00	60	15,708.00
61	N 0° 0' 0" E	100.00	15,708.00	61	15,708.00
62	N 90° 0' 0" E	100.00	15,708.00	62	15,708.00
63	N 180° 0' 0" E	100.00	15,708.00	63	15,708.00
64	N 270° 0' 0" E	100.00	15,708.00	64	15,708.00
65	N 0° 0' 0" E	100.00	15,708.00	65	15,708.00
66	N 90° 0' 0" E	100.00	15,708.00	66	15,708.00
67	N 180° 0' 0" E	100.00	15,708.00	67	15,708.00
68	N 270° 0' 0" E	100.00	15,708.00	68	15,708.00
69	N 0° 0' 0" E	100.00	15,708.00	69	15,708.00
70	N 90° 0' 0" E	100.00	15,708.00	70	15,708.00
71	N 180° 0' 0" E	100.00	15,708.00	71	15,708.00
72	N 270° 0' 0" E	100.00	15,708.00	72	15,708.00
73	N 0° 0' 0" E	100.00	15,708.00	73	15,708.00
74	N 90° 0' 0" E	100.00	15,708.00	74	15,708.00
75	N 180° 0' 0" E	100.00	15,708.00	75	15,708.00
76	N 270° 0' 0" E	100.00	15,708.00	76	15,708.00
77	N 0° 0' 0" E	100.00	15,708.00	77	15,708.00
78	N 90° 0' 0" E	100.00	15,708.00	78	15,708.00
79	N 180° 0' 0" E	100.00	15,708.00	79	15,708.00
80	N 270° 0' 0" E	100.00	15,708.00	80	15,708.00
81	N 0° 0' 0" E	100.00	15,708.00	81	15,708.00
82	N 90° 0' 0" E	100.00	15,708.00	82	15,708.00
83	N 180° 0' 0" E	100.00	15,708.00	83	15,708.00
84	N 270° 0' 0" E	100.00	15,708.00	84	15,708.00
85	N 0° 0' 0" E	100.00	15,708.00	85	15,708.00
86	N 90° 0' 0" E	100.00	15,708.00	86	15,708.00
87	N 180° 0' 0" E	100.00	15,708.00	87	15,708.00
88	N 270° 0' 0" E	100.00	15,708.00	88	15,708.00
89	N 0° 0' 0" E	100.00	15,708.00	89	15,708.00
90	N 90° 0' 0" E	100.00	15,708.00	90	15,708.00
91	N 180° 0' 0" E	100.00	15,708.00	91	15,708.00
92	N 270° 0' 0" E	100.00	15,708.00	92	15,708.00
93	N 0° 0' 0" E	100.00	15,708.00	93	15,708.00
94	N 90° 0' 0" E	100.00	15,708.00	94	15,708.00
95	N 180° 0' 0" E	100.00	15,708.00	95	15,708.00
96	N 270° 0' 0" E	100.00	15,708.00	96	15,708.00
97	N 0° 0' 0" E	100.00	15,708.00	97	15,708.00
98	N 90° 0' 0" E	100.00	15,708.00	98	15,708.00
99	N 180° 0' 0" E	100.00	15,708.00	99	15,708.00
100	N 270° 0' 0" E	100.00	15,708.00	100	15,708.00

116
J. J. Lindsay
Surveyor



AFFIDAVIT TO BE MADE BY AN OFFICER AS TO
AUTHORITY OF PERSONS EXECUTING FOR A
CORPORATION OR COMPANY

LAND TITLES ACT

I, KENNER C. AMES, of the Town of Markham,
in the Regional Municipality of York, make oath and say:

1. I am the President of Scarborough Shopping
Centre Limited.

2. Thomas R. Gilmour, whose signature is affixed
to the annexed (or within) document is a Vice-President of the
said Company, and Kenner C. Ames, whose signature is also
affixed thereto is the President thereof, and the seal affixed
thereto is the corporate seal of the said Company.

3. Under the by-laws of the said Company, the
President and Vice-President are empowered to execute on behalf
of the Company all deeds and other instruments requiring the
seal of the Company.

4. The said Company is, I verily believe, the
lessor of the land mentioned in the said document.

SWORN before me at the City
of Toronto, in the Municipality
of Metropolitan Toronto this
30th day of October, 1974.

117
Kenner C. Ames.


A Commissioner, etc.

AFFIDAVIT TO BE MADE BY AN OFFICER AS TO
AUTHORITY OF PERSONS EXECUTING FOR A
CORPORATION OR COMPANY

LAND TITLES ACT

I, Kenneth Watt Kernaghan of the City of Toronto, in the
Municipality of Metropolitan Toronto, make oath and say:

- 1. I am the Secretary of Simpsons, Limited.
- 2. E. I. Rounding, whose signature is affixed to the annexed
(or within) document is a ^{DIRECTOR} Vice-President of the said Company, and ^{W2}
K. W. Kernaghan, whose signature is also affixed thereto is the
Secretary thereof, and the seal affixed thereto is the corporate
seal of the said Company.
- 3. Under the by-laws of the said Company, a ^{DIRECTOR} Vice-President and ^{W2}
the Secretary are empowered to execute on behalf of the Company all
deeds and other instruments requiring the seal of the Company.
- 4. The said Company is, I verily believe, the lessee of the
land mentioned in the said document.

SWORN before me at the City of)
Toronto in the Municipality of)
Metropolitan Toronto this 30th)
day of October, 1974.)

[Handwritten Signature] 118

[Handwritten Signature]
A Commissioner, etc.

AFFIDAVIT TO BE MADE BY AN OFFICER AS TO
AUTHORITY OF PERSON EXECUTING FOR A
CORPORATION OR COMPANY

LAND TITLES ACT

C.M. BEATTIE
I, ~~R. V. A. Jones~~, of the City of Toronto

in the Municipality of Metropolitan Toronto, make oath and say:

1. I am the ~~Assistant~~ Secretary of Viking Shopping Centres Limited.

2. R. V. A. JONES, whose signature is affixed to the annexed (or within) document is a DIRECTOR of the said Company, and C.M. BEATTIE, whose signature is also affixed thereto is the ~~Assistant~~ Secretary thereof, and the seal affixed thereto is the corporate seal of the said Company.

3. Under the by-laws of the said Company, the DIRECTOR and ~~Assistant~~ Secretary are empowered to execute on behalf of the Company all deeds and other instruments requiring the seal of the Company.

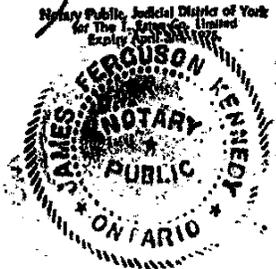
4. The said Company is, I verily believe, the registered owner of the land mentioned in the said document.

119

SWORN before me at the City of)
Toronto in the Municipality of)
Metropolitan Toronto this 1st)
day of NOVEMBER 1974.)

[Handwritten Signature]

[Handwritten Signature]
A Commissioner, etc.



M1410 A61974

No. A-461974
HD.
Received at the Office of Land Titles
at TORONTO at 12:21 o'clock
P.M. of the 12 day of Nov.
A.D. 1974 and entered in
Folium 7 Vol. Parcel M-2
N-1
Sec: M-1410

B. Johnson

A.L.O.

NOTICE OF
SURRENDER

120

TRAY, TORY, DEB LAURIER &
BRUNNINGTON
11 KING STREET WEST
TORONTO.
CHUR

LAND REGISTRY OFFICE 68
1974 NOV 12 PM 12 21



Ministry of Consumer and Commercial Relations
Land Registry Office

PRE-APPROVAL DESK
LAND REGISTRY OFFICE No. 66
WHL

REGISTRATION CASHIER FORM

Land Registry Office for the Land Titles Division of Toronto and York South (No. 66)

17002 1569 * 200
17002 1568 * 1500
17002 1568 * 200
17002 1569 * 200

Parcel <i>M-2</i> <i>N-1</i>	CONDOMINIUMS ONLY	
	Parcel Unit	Level
Section <i>M-1410</i>	Building	York Condominium Plan No.

FEE'S	<i>15.00</i>	
Execution		
Extra Fees	<i>2.00</i>	
L.T. Tax (over \$45,000.00)		
L.T. Tax (under \$45,000.00)		
R.S. Tax and consideration		
Extra Tax		
TOTAL	<i>17.00</i>	

AFFIDAVITS:

Planning Act
 LTT/Res
 Witness
 Ago/Spouse

Clerk: *[Signature]*
 File Folder Number: *[Signature]*

APPLICATION TO REGISTER
NOTICE OF AN AGREEMENT
LAND TITLES ACT
Section 78

TO: The Land Registrar for the Land Titles Division of Toronto and
York South (No. 66)

Scarborough Shopping Centre Limited being interested in
the land entered as Parcels M-2 and ^{N-1}~~N-2~~ both said parcels being
in the Register for Section M-1410 of which The T. Eaton Company
Limited is the registered owner hereby applies to have Notice of an
Agreement dated August 23, 1979, made between Scarborough Shopping
Centre Limited, Simpsons Limited and The T. Eaton Company Limited
entered on the Parcel Register. The evidence in support of this
Application consists of:

1. An executed copy of the said Agreement.

This Application is not made for any fraudulent or improper purpose.

The address of Scarborough Shopping Centre Limited for service is:

Suite 140
Yorkdale Shopping Centre
Toronto, Canada
M6A 2T9

SCARBOROUGH SHOPPING CENTRE LIMITED
by its Solicitors Messrs. Blake,
Cassels & Graydon

Per: R. J. McGillis
R. J. McGillis

This Supplementary Lease made the 23rd day of August, 1979,

B E T W E E N:

SCARBOROUGH SHOPPING CENTRE LIMITED,

a company incorporated under the laws of Ontario,

(hereinafter called the "LANDLORD"),

OF THE FIRST PART;

SIMPSONS LIMITED,

a company incorporated under the laws of Canada,

(hereinafter called the "TENANT"),

OF THE SECOND PART;

-and-

THE T. EATON COMPANY LIMITED,

a company incorporated under the laws of the Province of Ontario,

(hereinafter called "Eatons"),

OF THE THIRD PART.

WHEREAS by a lease (the "Lease") made as of the 17th day of July, 1972 between the LANDLORD and the TENANT (VIKING being a party of the third part for the limited purposes of confirming ownership in the TENANT of certain facilities and confirming to the TENANT'S security of tenure) the LANDLORD leased to the TENANT certain lands (comprising approximately 11.394 acres) upon which the TENANT located certain premises (comprising approximately 162,000 square feet of NET FLOOR AREA on two levels) as more particularly defined in the Lease on and subject to the terms and conditions therein set out; and

WHEREAS consent of the Committee of Adjustment under The Planning Act to the Lease was given on October 8, 1974; and

WHEREAS notice of the Lease was registered November 12, 1974 as Instrument No. A-461974; and

WHEREAS terms in block capitals are defined terms which have the same meaning herein as are ascribed to them in the Lease; and

WHEREAS Eatons is the successor of VIKING as owner of the reversion of the lands demised by the GROUND LEASE by virtue of a transfer registered against the SITE on October 27, 1977 as Instrument No. A-652827 (the "Transfer") and is a

3

party to this Supplementary Lease only for the purpose of giving the acknowledgement contained in Paragraph 14 hereof; and

WHEREAS the SITE (excluding Block D as hereinafter defined) is described in Schedule D hereto; and

WHEREAS each of the LANDLORD and the TENANT are entering into this Supplementary Lease pursuant to Section 19.7 of the Lease; and

WHEREAS pursuant to Article XVI of the Lease in March of 1978 the LANDLORD commenced construction and is now proceeding with and has substantially completed the construction of a major expansion to the CENTRE (the "Shopping Centre Expansion") comprising (a) an additional department store initially to be occupied by the Hudson's Bay Company comprising approximately 157,000 square feet of NET FLOOR AREA on three levels within the area outlined in yellow on the SITE PLAN, (b) net additional RETAIL SPACE comprising approximately 68,000 square feet of NET FLOOR AREA on two levels and (c) additional COMMON FACILITIES including both new malls and arcades connecting the aforementioned space at each mall level with the existing CENTRE and PARKING FACILITIES (including PARKING FACILITIES in PARKING STRUCTURES); and

WHEREAS a portion of the additional RETAIL SPACE and COMMON FACILITIES being constructed in connection with the Shopping Centre Expansion comprising substantially PARKING STRUCTURES and a bridge therefrom to the second level of the SIMPSON BUILDING (the "Bridge") is being located on the SIMPSONS LAND and such was not contemplated by the Lease; and

WHEREAS pursuant to a letter agreement dated March 17, 1978 (the "Letter Agreement") the TENANT recorded its general approval of the Shopping Centre Expansion, proposed amended SITE PLAN in connection therewith and the introduction of the additional COMMON FACILITIES on the SIMPSONS LAND on the understanding that the LANDLORD would submit this Supplementary Lease to the TENANT to record the necessary amendments to the Lease; and

WHEREAS the amended SITE PLAN (the "New Site Plan") showing the Shopping Centre Expansion is annexed hereto as Schedule A; and

WHEREAS the additional RETAIL PREMISES and COMMON FACILITIES (including, for greater certainty, PARKING FACILITIES) being constructed on the SIMPSONS LAND by the LANDLORD and any additional COMMON FACILITIES constructed by the LANDLORD pursuant

4

to Section 13 hereof are hereinafter referred to as the "Landlord's Common Facilities on the Simpsons Land" and the additional PARKING FACILITIES being constructed by the LANDLORD or constructed by the LANDLORD pursuant to Section 13 hereof on the SIMPSONS LAND are hereinafter referred to as the "Landlord's Parking Facilities on the Simpsons Land"; and

WHEREAS by reason of locating the Landlord's Common Facilities on the Simpsons Land the SIMPSONS OUTDOOR SELLING AREA may be required to be re-located; and

WHEREAS as part of the Shopping Centre Expansion three hundred and fifty (350) PARKING SPACES are being constructed on Block D on Plan M-1410 in the Borough of Scarborough, in the Municipality of Metropolitan Toronto ("Block D"), and the LANDLORD has designated Block D to be a part of the SITE until at least October 9, 1980; and

WHEREAS the designation of Block D as part of the SITE does not require the approval of the TENANT under the Lease but such has already been approved by the TENANT; and

WHEREAS Block D is shown on the New Site Plan and has been zoned to permit parking thereon on a temporary basis for a period expiring October 9, 1980 although such zoning may be renewed; and

WHEREAS the expiration of the zoning of Block D to permit parking thereon will result in the LANDLORD being required to construct additional PARKING FACILITIES on the SITE (or on other lands adjacent to the SITE designated by Eatons and approved by the LANDLORD in each case pursuant to the GROUND LEASE provided the location thereof has been approved by the Borough of Scarborough and others having rights of approval) and failing the obtaining of such approvals will be located on the SITE; and

WHEREAS the site plan showing the additional PARKING STRUCTURES on the SITE by reason of the additional three hundred and fifty (350) PARKING SPACES on Block D being relocated to the SITE is annexed hereto as Schedule B (the "Future Site Plan"); and

WHEREAS pursuant to a letter agreement of August 31, 1978 between the LANDLORD and the TENANT the TENANT consented to the construction of PARKING FACILITIES on the SITE in accordance with the Future Site Plan; and

WHEREAS prior to the commencement of construction of the Shopping Centre Expansion the SIMPSONS PARKING FACILITIES comprised eight hundred and eleven (811) PARKING SPACES at grade level (the "Pre-Expansion Simpsons Parking Facilities") and such

were and are sufficient to comply with Section 17.2 of the Lease.

NOW THEREFORE in consideration of the sum of five dollars (\$5.00) now paid by each of the parties hereto to each of the other parties hereto (the receipt and sufficiency of which consideration is by each party hereby acknowledged) it is agreed as follows:

1. Each of the LANDLORD and the TENANT acknowledges and agrees that each of the facts and status of certain matters hereinbefore referred to is correct.

2. Pursuant to Section 19.17 of the Lease the LANDLORD hereby declares Block D to be a part of the SITE. Each of the LANDLORD and the TENANT agrees that such designation will be effective until the LANDLORD, by notice in writing to the TENANT, declares Block D no longer to be so designated. Such notice may not be given by the LANDLORD unless alternative arrangements have been made by it to comply with its covenants pertaining to parking under the Lease as amended hereby.

3. The LANDLORD covenants that it will proceed with the construction of the Shopping Centre Expansion in accordance with the requirements of the Lease, the New Site Plan and the plans and specifications therefor. The TENANT confirms its approval of the Shopping Centre Expansion including each of the New Site Plan and the plans and specifications of the Shopping Centre Expansion. The TENANT acknowledges that the LANDLORD has obtained from it all consents and approvals required under the Lease in connection with the Shopping Centre Expansion and its construction to the date of this Supplementary Lease. The LANDLORD covenants that it will continue to obtain all necessary approvals and consents required to be obtained under the Lease in connection with the Shopping Centre Expansion and its construction.

4. The TENANT hereby confirms that, pursuant to the Letter Agreement, it has granted to the LANDLORD, its contractors, agents and employees the right and licence to enter upon the SIMPSONS LAND to construct the Landlord's Common Facilities on the Simpsons Land.

5. Following completion of the Shopping Centre Expansion (a) for the purposes of Section 17.2 of the Lease, the SIMPSONS PARKING FACILITIES on the SIMPSONS LAND shall be deemed to contain eight hundred and eleven (811) PARKING SPACES and the Landlord's Parking Facilities on the Simpsons Land shall be those PARKING SPACES in excess thereof and (b) for all other purposes in the Lease the SIMPSONS PARKING FACILITIES

on the SIMPSONS LAND shall be those PARKING FACILITIES on the SIMPSONS LAND at grade level whether or not located under PARKING STRUCTURES and the Landlord's Parking Facilities on the Simpsons Land shall be deemed to be those PARKING FACILITIES on the SIMPSONS LAND not located at grade level.

6. If the Landlord's Common Facilities on the Simpsons Land have affected the SIMPSONS OUTDOOR SELLING AREA such may be relocated by the TENANT in accordance with Section 2.3 of the Lease including, for greater certainty, to a location on the Landlord's Common Facilities on the Simpsons Land if such location is within the limits of the area contemplated by Section 2.3 of the Lease. The LANDLORD shall have the right from time to time to alter the Landlord's Common Facilities on the Simpsons Land provided that, unless such alterations are being completed to the extent permitted under Section 13 hereof, such alterations will be subject to the prior written approval of the TENANT, such approval not to be unreasonably withheld.

7. As part of the Shopping Centre Expansion the LANDLORD has constructed the Bridge at its own expense and the TENANT has constructed the break-through into the SIMPSON BUILDING and the alterations within the SIMPSON BUILDING to enable the connection of the Bridge at its expense; the TENANT and the LANDLORD each agrees that such construction completed by the other is satisfactory and is in accordance with the requirements of the Lease.

8. Notwithstanding the provisions of Section 4.1(ii) of the Lease pertaining to taxes, rates, duties and assessments on the SIMPSONS LAND, in keeping with its obligations under Section 5.3 and in lieu of the TENANT'S obligation in connection therewith, the LANDLORD shall pay or cause to be paid all taxes, rates, duties and assessments whatsoever assessed or levied in respect of the Landlord's Common Facilities on the Simpsons Land or, where there is no separate assessment or levy of the same, such portion of such taxes, rates, duties and assessments as may be allocated in respect of the Landlord's Common Facilities on the Simpsons Land on a fair and reasonable basis thereto (and failing agreement as to such allocation, such to be determined in accordance with Section 19.1 of the Lease).

9. Consistent with the grant contained in Section 5.10 of the Lease, the TENANT grants to the LANDLORD the exclusive right (subject to the TENANT'S right to remedy default of the LANDLORD pursuant to Section 14.1 of the Lease) to operate, police, supervise, regulate, repair and maintain all PARKING

7

FACILITIES and other COMMON FACILITIES on the SIMPSONS LAND.

10. Annexed hereto as Schedule C is a revised MERCHANDISING PLAN replacing Schedule D to the Lease. The TENANT hereby approves such MERCHANDISING PLAN. The LANDLORD acknowledges that any changes to Schedule C will, if required by the Lease, be subject to the prior consent or approval of the TENANT, all as contemplated by Article VII of the Lease.

11. For the purposes of paragraph (2) of Section 13.5 of the Lease, in determining the extent to which costs incurred by the LANDLORD in repairing or replacing any COMMON FACILITIES on the SIMPSONS LAND are to be paid by the TENANT, it is agreed that the Landlord's Common Facilities on the Simpsons Land will be deemed to be for the account of the LANDLORD and the remaining COMMON FACILITIES will be for the account of the TENANT.

12. By reason of the TENANT permitting the LANDLORD to construct the Landlord's Parking Facilities on the Simpsons Land, the LANDLORD covenants that in connection with an expansion of the SIMPSONS BUILDING under Article XV of the Lease, notwithstanding Section 15.1(3) of the Lease, the LANDLORD shall, if the TENANT is desirous of locating PARKING SPACES on the LANDLORD'S LAND, furnish the necessary number of PARKING SPACES on the LANDLORD'S LAND in PARKING STRUCTURES provided (i) the LANDLORD'S obligation under this Paragraph 12 shall be limited to providing that number of PARKING SPACES equal to the number of PARKING SPACES on the SIMPSONS LAND at the time of the completion of the Shopping Centre Expansion which are in excess of eight hundred and eleven (811) (ii) for the purposes of Section 2.1(c), the title to and ownership of the PARKING FACILITIES constructed in connection with such expansion of the SIMPSON BUILDING shall at all times during the TERM be vested in the TENANT and (iii) the PARKING FACILITIES so constructed on the LANDLORD'S LANDS by the LANDLORD shall be at the TENANT'S expense save that if and to the extent such PARKING FACILITIES are constructed on lands other than Blocks M, N and D and, prior to such construction, either the improvements on such lands are not similar to the improvements existing on the SIMPSONS LAND prior to the commencement of the Shopping Centre Expansion, or such lands are unimproved, the LANDLORD shall assume the expense to the extent such exceeds the expense of locating such PARKING FACILITIES on lands having improvements similar to those existing on the SIMPSONS LANDS prior to the commencement of the Shopping Centre Expansion.

13. If the zoning of Block D to permit parking thereon

8

expires, the TENANT hereby confirms its consent to the construction of the necessary additional COMMON FACILITIES in accordance with the Future Site Plan but no other COMMON FACILITIES.

14. By virtue of the Transfer Eatons acknowledges to the TENANT that it has assumed all the obligations of VIKING under the Lease.

15. As all construction, developmental and other costs and expenses of a capital nature incurred in connection with the construction of the Shopping Centre Expansion are not for the account of the TENANT other than the work already completed by the TENANT pursuant to Section 7 hereof, each of the LANDLORD and the TENANT acknowledges that nothing in the Supplementary Lease is intended to or will result in a change in any amount payable by the TENANT under the RENT AGREEMENT (including for greater certainty, Sections 2 or 3 thereof).

16. For the purposes of Sections 13.1 and 13.2 of the Lease, the RETAIL PREMISES constructed by or on behalf of the LANDLORD on the SIMPSONS LAND in connection with the Shopping Centre Expansion shall, for greater certainty, be deemed not to be a part of the COMMON FACILITIES.

17. Except as modified by this Supplementary Lease, each of the parties hereby confirms the provisions of the Lease and the RENT AGREEMENT.

IN WITNESS WHEREOF the parties hereto have executed these presents as of the date first above written.

SCARBOROUGH SHOPPING CENTRE LIMITED

by: [Signature]

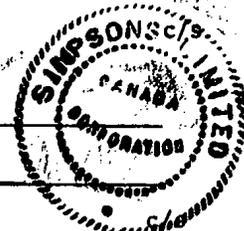
and: [Signature]
Director



SIMPSONS LIMITED

by: [Signature]

and: [Signature]



THE T. EATON COMPANY LIMITED

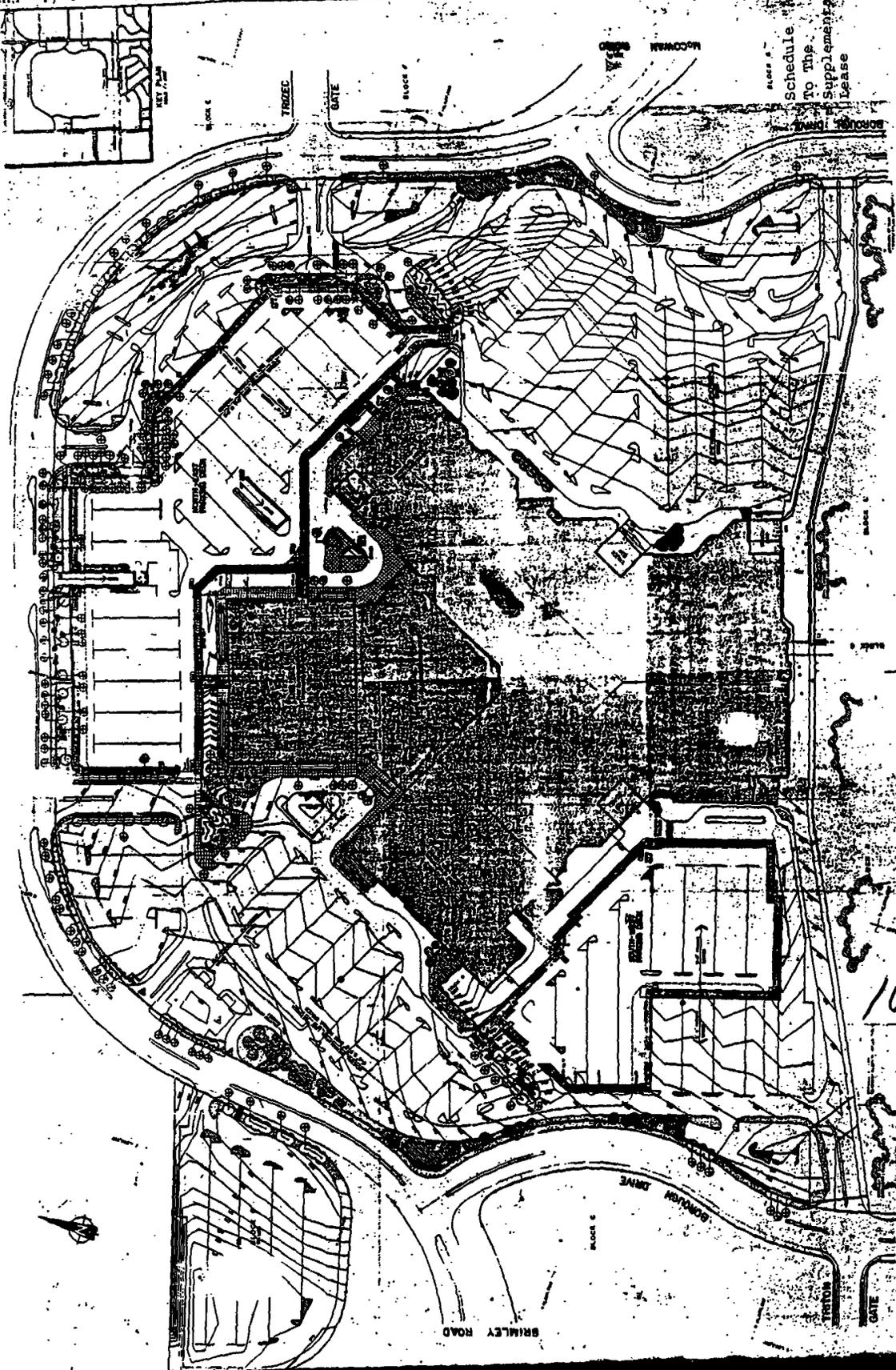
by: [Signature]
VICE-PRESIDENT

and: [Signature]
SECRETARY



9

NO. 1	NO. 2	NO. 3	NO. 4	NO. 5	NO. 6	NO. 7	NO. 8	NO. 9	NO. 10	NO. 11	NO. 12	NO. 13	NO. 14	NO. 15	NO. 16	NO. 17	NO. 18	NO. 19	NO. 20	NO. 21	NO. 22	NO. 23	NO. 24	NO. 25	NO. 26	NO. 27	NO. 28	NO. 29	NO. 30	NO. 31	NO. 32	NO. 33	NO. 34	NO. 35	NO. 36	NO. 37	NO. 38	NO. 39	NO. 40	NO. 41	NO. 42	NO. 43	NO. 44	NO. 45	NO. 46	NO. 47	NO. 48	NO. 49	NO. 50	NO. 51	NO. 52	NO. 53	NO. 54	NO. 55	NO. 56	NO. 57	NO. 58	NO. 59	NO. 60	NO. 61	NO. 62	NO. 63	NO. 64	NO. 65	NO. 66	NO. 67	NO. 68	NO. 69	NO. 70	NO. 71	NO. 72	NO. 73	NO. 74	NO. 75	NO. 76	NO. 77	NO. 78	NO. 79	NO. 80	NO. 81	NO. 82	NO. 83	NO. 84	NO. 85	NO. 86	NO. 87	NO. 88	NO. 89	NO. 90	NO. 91	NO. 92	NO. 93	NO. 94	NO. 95	NO. 96	NO. 97	NO. 98	NO. 99	NO. 100
-------	-------	-------	-------	-------	-------	-------	-------	-------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------	---------



Schedule
To this
Supplemental
Lease

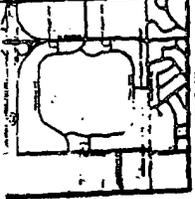
10

BRIMLEY ROAD

LONDON DRIVE

TRINITY

GATE

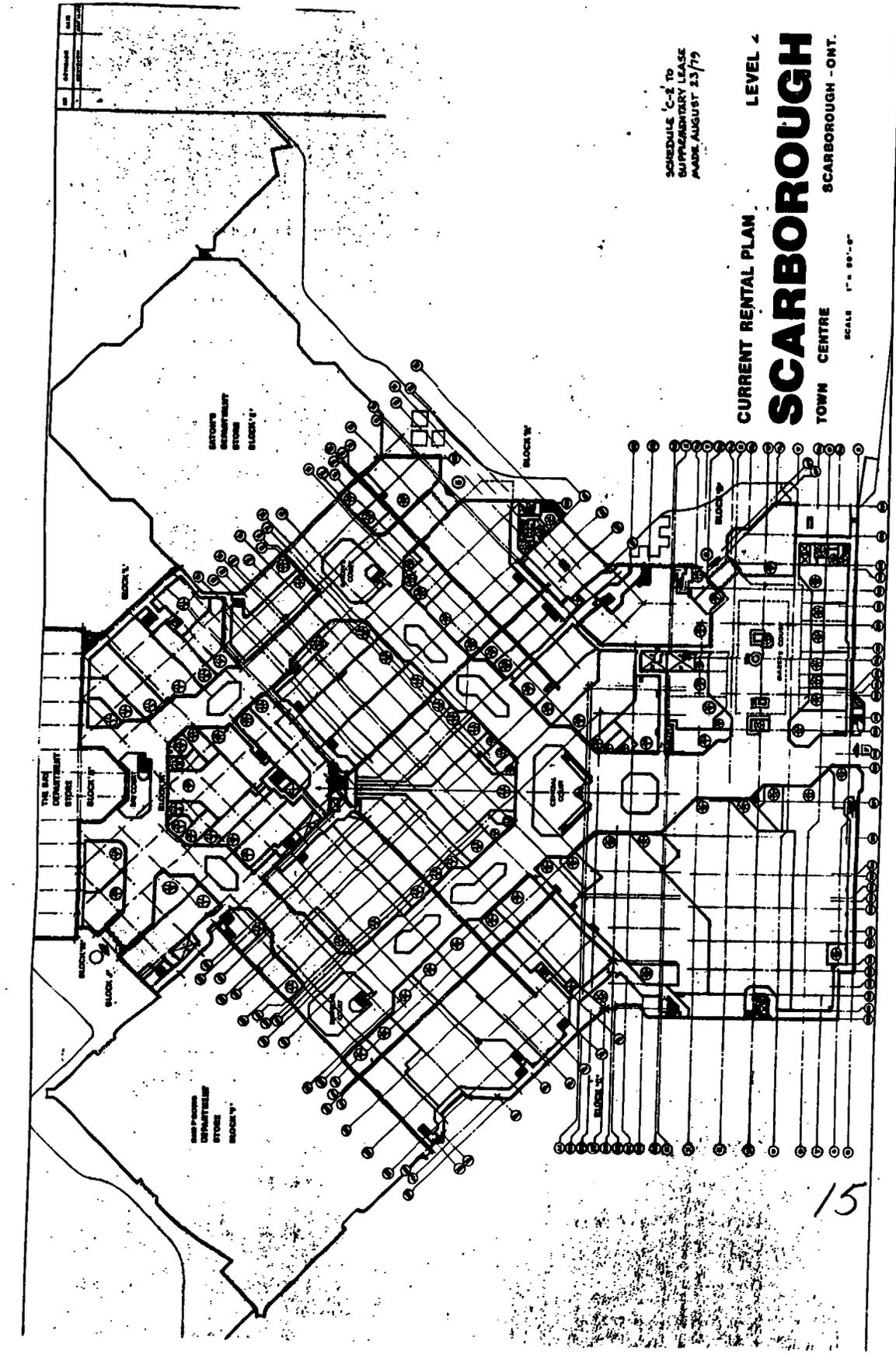


SCHEDULE C-1A
TO SUPPLEMENTARY LEASE
MADE AUGUST 23/79

Key to Merchandising Plan
of July 16, 1979 - Level 1

<u>Space No.</u>	<u>Type of Use</u>
1A-1	Family Clothing
1A-2	Keys
1A-5	Ladies' Apparel
1A-6	Drug Store
1A-7	Family Shoes
1A-8	Largesize Men's Clothing
1B-1	Specialty Menswear
1B-2	Handbag/Luggage Boutique
1B-3	Dried Fruit & Nuts
1B-4	Ladies' Apparel
1B-5	Largesize Ladies' Clothing
1B-6	Men's Shoes
1B-7	Ladies' Apparel
1B-8	Men's Apparel
1B-9	Children's Clothing
1B-10	Men's Specialty Shirts/Ties
1B-11	Houseware Gifts
1B-12	Men's Apparel.
1B-13	Candle Shop
1B-14	Toys & Games
1B-15	Fabrics
1B-16	Fine Art Gifts
1B-17	Family Shoes
1B-18	Stationery/Cards/Office Supplies
1B-19	Coins & Stamps
1B-20	Jewellery & Gifts
1B-21	Ladies' Beauty Salon
1B-22	Men's Barber Shop
1B-23	Lingerie
1B-24	Unisex Clothing
1B-25	Sporting Goods & Apparel
1B-26	Porcelain/China Specialty
1B-27	Jewellery
1B-28	Specialty Ladies' Clothing
1B-29	Ladies' Shoe Boutique
1C-1	Jewellery
1C-2	Trust Company
1C-3/4	Restaurant-Pancake Specialty
1C-5	Optometrist
1C-6	Ladies' Apparel
1C-7	Luggage/Handbags
1C-8	Ladies' Shoes
1C-9	Arts/Crafts/Toys
1C-10	Ladies' Apparel
1C-11	Cameras & Photographic Supplies
1C-12	Pets
1C-13	Restaurant
1C-14	Candy Store
1C-15	Tobacco & Periodicals
1C-16	Ladies' Wigs/Beauty Supplies
1C-17	Brewers Retail
1C-18	Bank
1C-19	Market Research Office
1J-1	Athletic Footwear/Apparel/Equipment
1J-2	Bedding Specialties
1J-3	Ladies' Apparel
1J-4	Family Shoes
1J-5	Men's Formal Apparel
1J-6	Ladies' Specialty Apparel

<u>Space No.</u>	<u>Type of Use</u>
1K-1	Family Jeans Store
1K-2	Piano/Organ/Musical Instruments
1K-3	Greeting Cards
1K-4	Wine Store
1K-5	Cosmetics/Beauty Supplies
1K-6	Unisex Clothing
1K-7	Ladies' Apparel
1K-8	Buckles & Belts
1K-9	Jewellery-Synthetic Jewel Specialty
1K-10	China & Tableware
1K-11	Stereo & Hi-Fi
1K-12	Telephone Centre
1K-13	Ladies' Apparel
1L-1	Ladies' Specialty Apparel
1L-2	Ladies' Specialty Apparel
1L-3	Snack Bar
1L-4	Household & Small Business Computers
1L-5	Restaurant-Crepe Specialty
1M-1	Men's Shoes
1M-2	Leather Apparel
1M-3	Dry Cleaning & Laundry Pickup Station



SCHEDULE C-2 TO
SUPPLEMENTARY LEASE
MADE AUGUST 23/79

LEVEL 4
CURRENT RENTAL PLAN
SCARBOROUGH
TOWN CENTRE
SCARBOROUGH - ONT.

SCALE 1" = 90'-0"

SCHEDULE C-2A
 TO SUPPLEMENTARY LEASE
 MADE AUGUST 23/79

Key to Merchandising Plan
 of July 16, 1979-Level 2

<u>Space No.</u>	<u>Type of Use</u>
2A-1	Records/Tapes
2A-2	Specialty T-Shirts
2A-3	Watches/Clocks
2A-4	Gift Boutique
2A-5	TV/Stereo/Home Applicances
2A-6	Men's Apparel
2A-7	Men's/Ladies' Shoes
2A-8	Bath Boutique
2A-9	Ladies' Apparel
2A-10	Paint & Wallpaper
2A-11	Tobacco & Sundries
2A-12	Restaurant/Coffee Shop
2A-13	Children's Shoes
2A-14	Girl's Apparel
2B-1	Ladies' Shoes
2B-2	Travel Agency
2B-3	Specialty Gifts
2B-4	Ladies' Apparel
2B-5	Family Shoes
2B-6	Ladies' Apparel
2B-7	Unisex Apparel
2B-8	Sewing Machines
2B-9	Specialty Gifts
2B-10	Antiques
2B-11	Jewellery & Gifts
2B-12	Optical
2B-13	Specialty Ladies' Accessories
2B-14	Kitchen Specialties
2B-15	Ladies' Apparel
2B-16	Lighting Fixtures & Sundries
2B-17	Books
2B-18	Ladies' Apparel
2B-19	Men's Apparel
2B-20	Clocks & Watches
2B-21	Ladies' Apparel
2B-22	Ladies' Handbags Boutique
2B-23	Stereo/Hi Fi
2B-24	Sunglasses Boutique
2C-1	Ladies' Apparel
2C-2	Ladies' Apparel
2C-3	Men's/Boy's Apparel
2C-4	Books
2C-5	Ladies' Apparel
2C-6	Specialty Gifts
2C-7	Men's/Boy's Apparel
2C-8	Maternity Apparel
2C-9	Greeting Cards
2C-10	Furniture
2C-11	Housewares Gifts
2C-12	Furniture
2C-13	Ice Cream Snack Bar
2C-14	Hardware Store-General
2C-15	Wool Shop
2C-16	Bank Staff Area
2C-17	Tobacco & Sundries
2C-18	Hobbies/Crafts
2C-19	Management Storage
2C-20	Management Office

<u>Space No.</u>	<u>Type of Use</u>
2D-1	Florist
2D-2	Prepackaged Frozen Meat & Seafood
2D-3	Fresh Meat & Delicatessen
2D-4	Fresh Fish & Seafood
2D-5	Snack Bar
2D-6	Liquor Store
2D-7	Snack Bar
2D-9	Restaurant/Lounge/Disco
2D-10	Greengrocer
2D-11/12	Fresh Meat & Delicatessen
2D-13	Amusement Game Centre
2D-14	Snack Bar
2D-15	Snack Bar
2D-16	Bakery
<u>Market Court Kiosks</u>	
2K-1	Coffee/Tea/Spice Kiosk
2K-2	Orange Juice Kiosk
2K-3	Snack Food Kiosk
2K-4	Cookie Kiosk
2J-1	Family Shoes
2J-2	Jewellery & Gifts
2K-1	Educational Books & Supplies
2K-2	Family Jean Store
2K-3	Ladies' Shoes
2K-4	Men's Specialty Gifts
2K-5	Microwave
2K-6	Portrait Photography Studio
2K-7	Ladies' Apparel
2K-8	Specialty Gifts
2K-9	Specialty Candy
2K-10	Art Gifts
2K-11	Athletic Footwear/Apparel/Equipment
2K-12	Records & Tapes
2K-13	Ladies' Apparel
2L-1	Athletic Apparel
2L-2	Camera & Photographic Supplies
2L-3	Men's/Ladies' Shoes
2L-5	Ladies' Apparel
2L-6	Ladies' Apparel
2L-7	Maternity Apparel
2L-8	Restaurant Kitchen (of 1L-5)
2M-1	Men's Apparel
2M-2	Ladies' Apparel

SCHEDULE "D"

FIRSTLY:

Block M on Plan M-1410 (Borough of Scarborough) registered in the Land Registry Office for the Land Titles Division of Toronto and York South (No. 66);

SUBJECT to an easement in favour of The Corporation of the Borough of Scarborough expropriated by By-law 9224 over that part of said Block M shown in broken outlines on said Plan M-1410 for the purpose of constructing and maintenance of a permanent storm and sanitary trunk sewer, as set out in A-71301;

AND SUBJECT to an easement in favour of Bell Canada over that part of said Block M designated as Parts 1 and 2 on Plan 66R-6034 for the purpose of constructing, repairing, operating and maintaining in perpetuity its lines of telephone, telegraph and telecommunication, as set out in A-387102;

AND SUBJECT to an easement in favour of The Corporation of the Borough of Scarborough over that Part of said Block M designated as

Firstly: Parts 3, 4, 5 and 16 on Plan 66R-6947 and

Secondly: Parts 3, 4, 5 and 6 on Plan 66R-6948

to construct, and from time to time maintain, inspect, repair, and replace in perpetuity, a three-inch underground conduit for electrical cable or cables, as set out in A-652794;

TOGETHER WITH a free and uninterrupted right-of-way for pedestrian passage in favour of the owner and its successors in title from time to time to each and every part of said Block M according to said Plan M-1410 and to such persons as the owner or such successors in title may from time to time permit in, over and upon Blocks RX and TX as set out in A-322822 and Blocks SX and UX as set out in A-322823 and A-344281;

and being all of the freehold lands and certain of the rights-of-way comprised in Parcel M-2 in the Register for Section M-1410, Scarborough, registered in the Land Registry Office for the Land Titles Division of Toronto and York South (No. 66);

SECONDLY:

Block N on Plan M-1410 (Borough of Scarborough) registered in the Land Registry Office for the Land Titles Division of Toronto and York South (No. 66);

SUBJECT to an easement in favour of The Corporation of the Borough of Scarborough over that part of said Block N designated as Part 2 on Plan 66R-6948 to construct, and from time to time maintain, inspect, repair and replace in perpetuity, a three-inch underground conduit for electrical cable or cables, as set out in A-652794;

TOGETHER WITH a free and uninterrupted right-of-way for pedestrian passage in favour of the owner and its successors in title from time to time to each and every part of said Block N according to said Plan M-1410 and to such persons as the owner or such successors in title may from time to time permit in, over and upon Blocks RX and TX as set out in A-322822 and Blocks SX and UX as set out in A-322823 and A-344281;

and being all of the freehold lands and certain of the rights-of-way comprised in Parcel N-1 in the Register for Section M-1410, Scarborough, registered in the Land Registry Office for the Land Titles Division of Toronto and York South (No. 66).

DATED the 23rd day of August, 1979

SCARBOROUGH SHOPPING CENTRE
LIMITED

SIMPSONS LIMITED

and

THE T. EATON COMPANY LIMITED

Supplementary Lease

BLAKE, CASSELS & GRAYDON
P.O. Box 25, Commerce Ct W.
Toronto - Ontario
MSL 1A9

A824056

DATED: December 14, 1979

WA

No. **A-824056**
Received at the Office of Land Titles
at **TORONTO** at **12:18** o'clock
P M. of the **17** day of **DEC.**
A. D. 19 **79** and entered in
Folium **9th** Vol. Parcel **N-21**
SECTION 4-N10.

Application to Register
Notice of an Agreement

Blocks M & N, Plan M-1410 (Borough of
Scarborough)

C. M. G. G. S. 2

BLAKE, CASSELS & GRAYDON
Box 25, Commerce Court West
Toronto, Ontario, M5L 1A9
(RJM)

LAND REGISTRY OFFICE 66
DEC 17 1979

FOR OFFICE USE ONLY

C735864

91 09 26 11 24

LAND REGISTRAR

New Property Identifiers

Additional: See Schedule

(1) Registry Land Titles (2) Page 1 of 3 pages

(3) Property Identifier(s) Block Property Additional: See Schedule
 06000 - 0088 (LT)

(4) Nature of Document
 APPLICATION TO AMEND THE REGISTER (S. 78 of the Land Titles Act)

(5) Consideration
 Dollars \$

(6) Description
 Parcel N-1 and part of Parcel M-², both in the register for Section M-1410, being Block N and part of Block M, Plan M-1410, City of Scarborough, Municipality of Metropolitan Toronto, more particularly described on the attached Schedule.

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch (b) Schedule for: Description Additional Parties Other

(8) This Document provides as follows: FORMERLY SIMPSONS, LIMITED
 SIMPSONS LIMITED, having a legal interest in the land described in Box 6 above, of which T. Eaton Holdings Limited is the registered owner, hereby applies under S. 78 of the Land Titles Act to have the register for the said Parcels amended by changing the name of SIMPSONS, LIMITED to SIMPSONS LIMITED.

The evidence in support of this application consists of:

1) a notarial copy of the Certificate and Articles of Continuance effective May 23, 1979 whereby SIMPSONS, LIMITED was continued as SIMPSONS LIMITED, registered in the Land Registry Office for the Land Titles Division of Metropolitan Toronto on September 26, 1991 as Instrument No. C-735857.

Continued on Schedule

(9) This Document relates to instrument number(s) A-461974, A-601584

(10) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D
SIMPSONS, LIMITED	per: <u>J.A. Doyle</u> (J.A. Doyle)	1991 09 <u>24</u>
by its solicitors,		
Blake, Cassels & Graydon		

(11) Address for Service 401 Bay Street, Toronto, Ontario

(12) Party(ies) (Set out Status or Interest)

Name(s)	Signature(s)	Date of Signature Y M D

(13) Address for Service

(14) Municipal Address of Property
 Scarborough Town Centre
 300 Borough Drive
 Scarborough, Ontario
 M1P 4P5

(15) Document Prepared by:
 Blake, Cassels & Graydon
 Box 25, Commerce Court West
 Toronto, Ontario
 MSL 1A9 (DT)

Fees and Tax	
Registration Fee	<u>75.00</u>
Total	

SCHEDULE 1

Parcel N-1 and part of Parcel M-2, both in the Register for Section M-1410 being Block N and part of Block M, Plan M-1410, City of Scarborough, Municipality of Metropolitan Toronto, more particularly described as follows:

COMMENCING at the southwesterly angle of Block SX according to said Plan M-1410;

THENCE North 74 degrees, 53 minutes, 50 seconds east (N 74° 53' 50" E) a distance of 1.00 feet;

THENCE on a curve to the left of radius 484.00 feet an arc distance of 300.62 feet, the chord equivalent being 295.81 feet measured on a course North 32 degrees, 53 minutes, 50 seconds west (N 32° 53' 50" W);

THENCE North 50 degrees, 41 minutes, 30 seconds west (N 50°, 41', 30" W) a distance of 2.73 feet;

THENCE on a curve to the right of radius 49.00 feet an arc distance of 68.12 feet, the chord equivalent being 62.76 feet measured on a course of North 10 degrees, 52 minutes, 0 seconds west (N 10°, 52', 0" W);

THENCE on a curve to the left of radius 494.00 feet an arc distance of 158.78 feet, the chord equivalent being 158.10 feet measured on a course of North 19 degrees, 45 minutes, 0 seconds east (N 19°, 45', 0" E);

THENCE North 10 degrees, 32 minutes, 30 seconds east (N 10°, 32', 30" E) a distance of 192.96 feet;

THENCE North 79 degrees, 27 minutes, 30 seconds west (N 79°, 27', 30" W) a distance of 1.00 feet to the north westerly angle of said Block SX;

THENCE North 10 degrees, 32 minutes, 30 seconds east (N 10°, 32', 30" E) along the easterly limit of Borough Drive, 120.00 feet;

THENCE on a curve to the right of radius 477.00 feet an arc distance of 336.94 feet the chord equivalent being 329.98 feet measured on a course of North 30 degrees, 46 minutes, 50 seconds east (N 30°, 46', 50" E);

THENCE South 37 degrees, 17 minutes, 30 seconds east (S 37°, 17', 30" E) a distance of 163.37 feet;

THENCE South 61 degrees, 56 minutes, 50 seconds east (S 61°, 56', 50" E) a distance of 238.39 feet;

THENCE South 28 degrees, 41 minutes, 30 seconds west (S 28°, 41', 30" W) a distance of 187.10 feet;

THENCE South 61 degrees, 8 minutes, 10 seconds east (S 61°, 8', 10" E) a distance of 291.28 feet;

THENCE South 28 degrees, 30 minutes, 0 seconds west (S 28°, 30', 0" W) a distance of 12.88 feet;

THENCE South 28 degrees, 50 minutes, 30 seconds west (S 28°, 50', 30" W) a distance of 336.98 feet;

THENCE South 28 degrees, 29 minutes, 50 seconds west (S 28°, 29', 50" W) a distance of 37.92 feet;

THENCE South 61 degrees, 5 minutes, 10 seconds east (S 61°, 5', 10" E) a distance of 22.67 feet;

THENCE South 29 degrees, 20 minutes, 40 seconds west (S 29°, 20', 40" W) a distance of 175.95 feet;

THENCE South 73 degrees, 44 minutes, 40 seconds west (S 73°, 44', 40" W) a distance of 324.03 feet;

THENCE on a curve to the left of radius 483.00 feet an arc distance of 90.95 feet the chord equivalent being 90.81 feet measured on a course of north 9 degrees, 42 minutes, 20 seconds west (N 9°, 42', 20" W) to the point of commencement;

the above described lands contain 11.304 acres more or less and are shown on the plan annexed as Part of Schedule B to Instrument No. A-461974;

being the lands described in Instrument No. A-461974.



Document General
Form 4 - Land Registration Reform Act, 1984

DYE & DURHAM CO. LIMITED
Form No. 505

D

FOR OFFICE USE ONLY

C 7 3 5 8 6 5

'91 09 26 11 25

LAND REGISTRATION ACT

New Property Identifiers Additional:
See
Schedule

Executions Additional:
See
Schedule

(1) Registry Land Titles (2) Page 1 of 6 pages

(3) Property Identifier(s) Block Property Additional:
06000 - 0088 (LT) See Schedule

(4) Nature of Document
Application for Notice of an interest in a Lease
(Subsection 110(6) of the Land Titles Act)

(5) Consideration
NIL Dollars \$ ---

(6) Description
Parcel N-1 and Part of Parcel M-2 both in the Register for Section M-1410, being Block N and part of Block M, Plan M-1410, City of Scarborough, Municipality of Metropolitan Toronto, more particularly described on the attached Schedule.

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch (b) Schedule for: Description Additional Parties Other

(8) This Document provides as follows:

HUDSON'S BAY COMPANY, hereby applies for entry of a Notice of an Assignment of the Lessee's interest in a sublease, dated the 26th day of September, 1991, wherein SIMPSONS LIMITED assigned to it, its interest in the sublease of which notice is registered as No. A-461974 (as amended by Instrument No. A-824056) in respect of the lands more particularly described in Box 6 above of which T. Eaton Holdings Limited is the registered owner. The evidence in support of this Application consists of:

1. An executed copy of the Assignment of Lessee's Interest in Lease.



LAND TRANSFER TAX ACT
NO LAND TRANSFER TAX ON REGISTRATION OF THIS TRANSFER

Assistant Deputy Minister, Tax Revenue

Continued on Schedule

(9) This Document relates to instrument number(s)
Notice of Sublease No. A-461974, as amended by A-824056

(10) Party(ies) (Set out Status or Interest)

Name(s) <u>ASSIGNEE</u>	Signature(s)	Date of Signature Y M D
HUDSON'S BAY COMPANY	Per: <i>J.A. Doyle</i> J.A. Doyle	1991 09 26
by its solicitors		
BLAKE, CASSELS & GRAYDON		

(11) Address for Service 401 Bay Street, Toronto, Ontario M5H 2Y4

(12) Party(ies) (Set out Status or Interest)

Name(s) <u>ASSIGNOR</u>	Signature(s)	Date of Signature Y M D
SIMPSONS LIMITED		

(13) Address for Service 401 Bay Street, Toronto, Ontario M5H 2Y4

(14) Municipal Address of Property Scarborough Town Centre 300 Borough Drive Scarborough, Ontario M1P 4P5	(15) Document Prepared by: Blake, Cassels & Graydon Box 25, Commerce Court West Toronto, Ontario MSL 1A9 (DT)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="2">Fees and Tax</th> </tr> <tr> <td style="width: 60%;">Registration Fee</td> <td style="width: 40%; text-align: center;"><i>[Signature]</i></td> </tr> <tr> <td> </td> <td style="text-align: center;"><i>[Signature]</i></td> </tr> <tr> <td>Total</td> <td> </td> </tr> </table>	Fees and Tax		Registration Fee	<i>[Signature]</i>		<i>[Signature]</i>	Total	
Fees and Tax										
Registration Fee	<i>[Signature]</i>									
	<i>[Signature]</i>									
Total										

SCHEDULE 1

Parcel N-1 and part of Parcel M-2, both in the Register for Section M-1410 being Block N and part of Block M, Plan M-1410, City of Scarborough, Municipality of Metropolitan Toronto, more particularly described as follows:

COMMENCING at the southwesterly angle of Block SX according to said Plan M-1410;

THENCE North 74 degrees, 53 minutes, 50 seconds east (N 74° 53' 50" E) a distance of 1.00 feet;

THENCE on a curve to the left of radius 484.00 feet an arc distance of 300.62 feet, the chord equivalent being 295.81 feet measured on a course North 32 degrees, 53 minutes, 50 seconds west (N 32° 53' 50" W);

THENCE North 50 degrees, 41 minutes, 30 seconds west (N 50°, 41', 30" W) a distance of 2.73 feet;

THENCE on a curve to the right of radius 49.00 feet an arc distance of 68.12 feet, the chord equivalent being 62.76 feet measured on a course of North 10 degrees, 52 minutes, 0 seconds west (N 10°, 52', 0" W);

THENCE on a curve to the left of radius 494.00 feet an arc distance of 158.78 feet, the chord equivalent being 158.10 feet measured on a course of North 19 degrees, 45 minutes, 0 seconds east (N 19°, 45', 0" E);

THENCE North 10 degrees, 32 minutes, 30 seconds east (N 10°, 32', 30" E) a distance of 192.96 feet;

THENCE North 79 degrees, 27 minutes, 30 seconds west (N 79°, 27', 30" W) a distance of 1.00 feet to the north westerly angle of said Block SX;

THENCE North 10 degrees, 32 minutes, 30 seconds east (N 10°, 32', 30" E) along the easterly limit of Borough Drive, 120.00 feet;

THENCE on a curve to the right of radius 477.00 feet an arc distance of 336.94 feet the chord equivalent being 329.98 feet measured on a course of North 30 degrees, 46 minutes, 50 seconds east (N 30°, 46', 50" E);

THENCE South 37 degrees, 17 minutes, 30 seconds east (S 37°, 17', 30" E) a distance of 163.37 feet;

THENCE South 61 degrees, 56 minutes, 50 seconds east (S 61°, 56', 50" E) a distance of 238.39 feet;

THENCE South 28 degrees, 41 minutes, 30 seconds west (S 28°, 41', 30" W) a distance of 187.10 feet;

THENCE South 61 degrees, 8 minutes, 10 seconds east (S 61°, 8', 10" E) a distance of 291.28 feet;

THENCE South 28 degrees, 30 minutes, 0 seconds west (S 28°, 30', 0" W) a distance of 12.88 feet;

THENCE South 28 degrees, 50 minutes, 30 seconds west (S 28°, 50', 30" W) a distance of 336.98 feet;

THENCE South 28 degrees, 29 minutes, 50 seconds west (S 28°, 29', 50" W) a distance of 37.92 feet;

THENCE South 61 degrees, 5 minutes, 10 seconds east (S 61°, 5', 10" E) a distance of 22.67 feet;



THENCE South 29 degrees, 20 minutes, 40 seconds west (S 29°, 20', 40" W) a distance of 175.95 feet;

THENCE South 73 degrees, 44 minutes, 40 seconds west (S 73°, 44', 40" W) a distance of 324.03 feet;

THENCE on a curve to the left of radius 483.00 feet an arc distance of 90.95 feet the chord equivalent being 90.81 feet measured on a course of north 9 degrees, 42 minutes, 20 seconds west (N 9°, 42', 20" W) to the point of commencement;

the above described lands contain 11.304 acres more or less and are shown on the plan annexed as Part of Schedule B to Instrument No. A-461974;

being the lands described in Instrument No. A-461974.

6316w/42-43



Scarborough Town Centre

ASSIGNMENT AND ASSUMPTION OF LEASE

This Agreement is made as of the 26th day of September, 1991
(the "Effective Time")

BETWEEN:

SIMPSONS LIMITED, a corporation
incorporated under the laws of
Canada,

(herein called the "Assignor")

OF THE FIRST PART

- and -

HUDSON'S BAY COMPANY, a
corporation continued under the
laws of Canada,

(herein called the "Assignee")

OF THE SECOND PART

WHEREAS, by a lease dated the 17th day of July, 1972 (which lease as amended and supplemented from time to time is herein referred to as the "Lease"), notice of which Lease was registered in the Land Registry Office for the Land Titles Division of Metropolitan Toronto on November 12, 1974 as Instrument Number A-461974, Scarborough Shopping Centres Limited, as landlord, leased to Simpsons, Limited, as tenant, certain premises in the City of Scarborough more particularly described in the lease (herein called the "Premises") for a term to be completed and ended on the 1st day

Assignment I



of May, 2008, subject to the terms, conditions and renewals and with payments in the amounts and at the times set forth in the lease;

AND WHEREAS Simpsons, Limited was continued under the Canada Business Corporations Act effective May 23, 1979 as Simpsons Limited;

AND WHEREAS a notarial copy of the Certificate and Articles of Continuance evidencing the aforesaid continuation was registered in the aforesaid continuation was registered in the aforesaid Registry Office on September 26, 1991 as Instrument Number C 735864 ;

AND WHEREAS the Assignor is a wholly-owned subsidiary of the Assignee;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT:

1. The Assignor hereby assigns to the Assignee, with effect as and from the Effective Time, the interest of the Assignor in the Premises together with the unexpired residue of the said term of years and renewals thereof and the Lease and all benefit to be derived therefrom subject to the payment of rent and the observance and performance of the covenants, provisos and conditions on the part of the tenant contained in the Lease.
2. The Assignor covenants with the Assignee that the Assignor is entitled to assign the Lease as provided herein, that the Lease is now, and will at the Effective Time be, a valid and subsisting lease, that the covenants, provisos and conditions in the Lease on the part of the tenant therein have been to the date hereof, and will up to the Effective Time be, duly observed and performed by the Assignor, that, subject as and from the Effective Time to the payment of rent and the observance and performance of the covenants, provisos and conditions on the part of the tenant contained in the Lease, the Assignee may enjoy the Premises for the residue of the said term of years and any renewal thereof, without interruption by the Assignor or any person claiming through the Assignor, and that the Assignor shall at all times hereafter at the request and cost of the Assignee execute such further assurances in respect of this Assignment as the Assignee may reasonably require.
3. The Assignee covenants with the Assignor that the Assignee will as and from the Effective Time throughout the residue of the said term of years and renewal thereof, pay the rent reserved at the times and in the manner provided in the Lease and observe and perform the covenants, provisos and conditions on the part of the tenant therein set forth and will indemnify and save harmless the Assignor from all actions, suits, costs, losses, damages and expenses in respect of such covenants, provisos and conditions.
4. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective, permitted successors and assigns.

Assignment 1

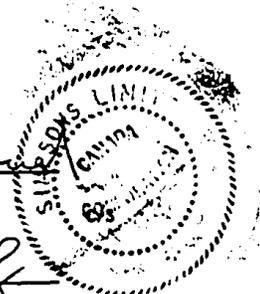


IN WITNESS WHEREOF the Assignor and Assignee have executed this Agreement.

Assignor: **SIMPSONS LIMITED**

per: [Signature]
A. ROLPH AUGAND

per: [Signature]
KEN WONG



Assignee: **HUDSON'S BAY COMPANY**

per: [Signature]
A. ROLPH AUGAND

per: [Signature]
KEN WONG



Assignment 1

This is Exhibit "C" referred to in the
Affidavit of Catherine Ma, sworn
before me over video teleconference
this 21st day of May, 2020.



A Commissioner for Taking Affidavits

Properties

PIN 06000 - 0287 LT *Interest/Estate* Fee Simple

Description BLOCKS M & N PLAN 66M1410...T/W R.O.W. OVER PT LOT 24, CON 2, PT 2
66R1261...S/T EASE. AS IN A71301...T/W R.O.W. OVER BLKS AX, DX, FX, GX, HX, KX,
LX, OX, PX, QX, RX, TX, AS IN A322822 AND BLKS EX, JX, SX, UX AS IN A322823 AND
A344281 AS AMENDED BY C754001...SUBJECT TO COVENANTS AS IN A365838...S/T
EASE AND COVENANT AS IN A387102... S/T RIGHT, EASE AND COVENANT AS IN
A652794...S/T EASE, COVENANT & RESTRICTION AS IN C155633 (FOR PARTIAL
DELETION OF EASEMENT C155633 SEE C742395)..SCARBOROUGH , CITY OF
TORONTO

Address SCARBOROUGH

Party From(s)

Name ONTARIO SUPERIOR COURT OF JUSTICE

Address for Service 330 University Avenue
Toronto, Ontario

Applicant(s)*Capacity**Share*

Name SCARBOROUGH TOWN CENTRE HOLDINGS INC.

Address for Service c/o OPGI Management Limited Partnership
100 Adelaide Street West, Suite 900
Toronto, ON M5H 0E2

Statements

The applicant who is authorized by court order See Schedules which is still in full force and effect, applies to have the register amended as follows: to delete and expunge the following from title to the property:

1. Notice of Sublease registered November 12, 1974 as Instrument No. A461974;
2. Notice of Agreement registered December 17, 1979 as Instrument No. A824056;
3. Application to Change Name-Owner registered September 26, 1991 as Instrument No. C735864; and
4. Notice of Agreement registered September 26, 1991 as Instrument No. C735865.

I Kevin Kei-Fung Leung solicitor make the following law statement the Monitor's certificate in the form attached as Schedule "A" to the court order has been delivered to the Applicants.

This document relates to registration number(s)A461974, A824056, C735864 and C735865

Signed By

Kevin Kei-Fung Leung 1 First Canadian Place, 61st Floor, acting for Signed 2018 01 18
Box 50 Applicant(s)
Toronto
M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

OSLER HOSKIN & HARCOURT LLP 1 First Canadian Place, 61st Floor, 2018 01 19
Box 50
Toronto
M5X 1B8

Tel 416-362-2111

Fax 416-862-6666

Fees/Taxes/Payment

Statutory Registration Fee \$63.65

Total Paid \$63.65

File Number

Applicant Client File Number : 1179649

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) WEDNESDAY, THE 4TH
)
JUSTICE HAINEY) DAY OF OCTOBER, 2017
)



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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF SEARS CANADA INC., CORBEIL
ÉLECTRIQUE INC., S.L.H. TRANSPORT INC., THE CUT INC.,
SEARS CONTACT SERVICES INC., INITIUM LOGISTICS
SERVICES INC., INITIUM COMMERCE LABS INC., INITIUM
TRADING AND SOURCING CORP., SEARS FLOOR
COVERING CENTRES INC., 173470 CANADA INC., 2497089
ONTARIO INC., 6988741 CANADA INC., 10011711 CANADA
INC., 1592580 ONTARIO LIMITED, 955041 ALBERTA LTD.,
4201531 CANADA INC., 168886 CANADA INC., AND 3339611
CANADA INC.

(each, an “**Applicant**”, and collectively, the “**Applicants**”)

APPROVAL AND VESTING ORDER – LEASE SURRENDER AGREEMENT

SCARBOROUGH TOWN CENTRE (STORE #1308)

THIS MOTION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the “**CCAA**”) for an order, *inter alia*, approving: the lease surrender and resiliation (the “**Transaction**”) contemplated by a Lease Surrender Agreement between Sears Canada Inc. (“**Sears Canada**”), as Tenant, and Scarborough Town Centre Holdings Inc. (the “**Landlord**”) as Landlord dated September 27, 2017 (the “**Lease Surrender Agreement**”) and certain related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Billy Wong sworn on September 28, 2017 including the exhibits thereto, and the Third Report of FTI Consulting Canada Inc., in its capacity as Monitor (the “**Monitor**”), filed, and on hearing the submissions of

respective counsel for the Applicants, the Monitor, the Landlord, the DIP ABL Agent, the DIP Term Agent and such other counsel as were present, no one else appearing although duly served as appears from the Affidavits of Service of Waleed Malik and Francesca Del Rizzo sworn October 1 and October 2, 2017, respectively, filed:

SERVICE AND DEFINITIONS

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Amended and Restated Initial Order in these proceedings dated June 22, 2017 (the “**Initial Order**”), or in the Lease Surrender Agreement, as applicable.

APPROVAL OF THE LEASE SURRENDER AGREEMENT

3. THIS COURT ORDERS AND DECLARES that the entering into of the Transaction by Sears Canada is hereby approved and ratified and that the execution of the Lease Surrender Agreement by Sears Canada is hereby authorized, approved and ratified with such minor amendments as Sears Canada (with the consent of the Monitor after consultation with the DIP Lenders) and the Landlord may agree to in writing. Sears Canada is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction, including the surrender by Sears Canada of its right, title and interest in and to the Leases and the Real Property Interests (each as defined in the Lease Surrender Agreement) to the Landlord and the Monitor shall be authorized to take such additional steps in furtherance of its responsibilities under the Lease Surrender Agreement and this Order, and shall not incur any liability as a result thereof. The legal descriptions and applicable land registry offices with respect to the Premises are as set out on Schedule “B” hereto.

4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor’s certificate to the Landlord substantially in the form attached as Schedule “A” hereto (the “**Monitor’s Certificate**”), all of Sears Canada’s right, title and interest in and to the Leases and the Real Property Interests shall be surrendered to the Landlord (with the Leases being resiliated) free and clear of and from any and all security interests (whether contractual, statutory, or

otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise in respect of the Leases and the Real Property Interests (collectively, the “**Claims**”), including, without limiting the generality of the foregoing:

- (a) the Administration Charge, the FA Charge, the KERP Priority Charge, the Directors’ Priority Charge, the DIP ABL Lenders’ Charge, the DIP Term Lenders’ Charge, the KERP Subordinated Charge and the Directors’ Subordinated Charge (as such terms are defined in the Initial Order) and any other charges hereafter granted by this Court in these proceedings (collectively, the “**CCAA Charges**”);
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and
- (c) those Claims listed on Schedule “B” hereto;

(all of which are collectively referred to as the “**Encumbrances**”, which term shall include all “Encumbrances”, as that term is defined in the Lease Surrender Agreement, but shall not include the Permitted Encumbrances listed on Schedule “C” hereto), and, for greater certainty, this Court orders that: (i) all construction liens and certificates of action, including but not limited to those listed on Schedule “B” (the “**Liens**”, which defined term shall include all Construction Liens as that term is defined in the Lease Surrender Agreement) are hereby vacated, as if an order had been made on motion by Sears Canada to vacate them by the posting of security for claim and costs pursuant to s. 44(1) of the *Construction Lien Act*, and (ii) all other Claims and Encumbrances affecting or relating to the Leases, the Real Property Interests, the Property and/or the Premises are hereby expunged and discharged as against the Leases, the Real Property Interests, the Property and/or the Premises including the real or immovable property identified in Schedule “B”.

5. THIS COURT ORDERS that upon the registration in the applicable land registry office of a certified copy of this Order in the manner prescribed by the applicable land registry office, the applicable land registrar is hereby directed to specifically (i) vacate the Liens, and (ii) discharge,

cancel, delete and expunge from title to the applicable real or immovable property described in Schedule "B" all of the Claims and Encumbrances that are not Liens listed in Schedule "B" hereto.

6. THIS COURT ORDERS that from and after the delivery of the Monitor's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the Transaction (the "**Net Proceeds**"), with the same priority as they had with respect to the Leases, the Real Property Interests, the Property and/or the Premises immediately prior to the Closing of the Transaction, as if the Transaction had not been completed.

7. THIS COURT ORDERS that, to the extent that obligations remain owing by the Applicants under the DIP ABL Credit Agreement or the DIP Term Credit Agreement, the Monitor be and is hereby authorized and directed to distribute, on behalf of the Applicants, on the day of filing the Monitor's Certificate or as soon as practicable thereafter, the Net Proceeds, subject to the Construction Lien Claim Reserve (as defined below) to the DIP ABL Agent or the DIP Term Agent, as applicable, in partial repayment of amounts then owing by the Applicants under the DIP ABL Credit Agreement or the DIP Term Credit Agreement, as applicable (a "**Distribution**").

8. THIS COURT ORDERS that any Distribution made pursuant to this Order shall be and shall be deemed to be made free and clear of all Claims and Encumbrances.

9. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of any of the Applicants and any bankruptcy order issued pursuant to any such applications; or
- (c) any assignment in bankruptcy made in respect of any of the Applicants;

the distribution permitted by paragraph 7 above shall be binding on any trustee in bankruptcy or receiver that may be appointed in respect of any of the Applicants and shall not be void or voidable by creditors of any of the Applicants, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or

provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. THIS COURT ORDERS that the Monitor shall hold back from any distributions of proceeds as permitted hereunder, \$1,758,014.10, being the aggregate amounts claimed by the holders of construction liens registered in respect of the Leases, the Real Property Interests, the Property and/or the Premises (the “**Construction Lien Claim Reserve**”). The Construction Lien Claim Reserve shall only be distributed on further Order of this Court. For greater certainty, the creation of the Construction Lien Claim Reserve does not in itself create, enhance, affect or impair any rights of persons or parties in such funds.

11. THIS COURT ORDERS that, if all obligations of the Applicants under the DIP ABL Credit Agreement or the DIP Term Credit Agreement have been satisfied in full the Monitor shall be entitled to retain the Net Proceeds or any remaining portion thereof, subject to the Construction Lien Claim Reserve, on behalf of the Applicants to be dealt with by further Order of the Court.

12. THIS COURT DECLARES THAT the only recourse of the Lien claimants in respect of their Liens shall be against the Construction Lien Claim Reserve and, for greater certainty, no Person shall have any recourse against the Landlord or its subsidiaries and affiliates, the Lease, the Real Property Interests, the Premises and the Property in respect of the Liens.

13. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor’s Certificate, forthwith after delivery thereof in accordance with the terms of the Lease Surrender Agreement.

14. THIS COURT ORDERS that subject to the terms of the Lease Surrender Agreement nothing herein affects:

- (a) the rights and obligations of Sears Canada and a contractual joint venture comprised of Gordon Brothers Canada ULC, Merchant Retail Solutions ULC, Tiger Capital Group, LLC and GA Retail Canada ULC (the “**Agent**”) under the Amended and Restated Agency Agreement between Sears Canada and the Agent dated July 12, 2017 and amended and restated on July 14, 2017;

- (b) the rights and obligations of Sears Canada and the Agent under the Amended and Restated Consulting Agreement between Sears Canada and the Agent dated July 12, 2017 and amended and restated on July 14, 2017; and
- (c) the terms of the Liquidation Sale Approval Order granted July 18, 2017 including the Sale Guidelines attached as Schedule "A" thereto.

15. THIS COURT ORDERS that notwithstanding anything else contained in the Lease Surrender Agreement or the Closing of the Transaction, the Landlord shall be bound by and benefit from the Initial Order until the earlier of (a) six months from the date of this Order, and (b) the duration of the period during which any other owners, operators, managers or landlords of commercial shopping centres or other commercial properties in which there is a store, office or warehouse owned or operated by the Tenant, is bound by or obtains any benefit from same. Without limiting the generality of the foregoing, during such period, the Landlord shall benefit from the stay of proceedings provision provided for at paragraph 15 of the Initial Order.

SEALING

16. THIS COURT ORDERS that Confidential Appendix "C" to the Third Report of the Monitor shall be and is hereby sealed, kept confidential and shall not form part of the public record pending further Order of this Court.

GENERAL PROVISIONS

17. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of any of the Applicants and any bankruptcy order issued pursuant to any such applications; or
- (c) any assignment in bankruptcy made in respect of any of the Applicants;

the surrender of the Leases and the Real Property Interests to the Landlord and the resiliation of the Leases pursuant to this Order shall be binding on any trustee in bankruptcy

or receiver that may be appointed in respect of any of the Applicants and shall not be void or voidable by creditors of any of the Applicants, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

18. THIS COURT ORDERS that this Order shall have full force and effect in all provinces and territories in Canada.

19. THIS COURT HEREBY REQUESTS the aid and recognition of any Court, tribunal, regulatory or administrative bodies, having jurisdiction in Canada or in the United States of America, to give effect to this Order and to assist the Applicants, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

A handwritten signature in cursive script, appearing to read "Hainey J.", written over a horizontal line.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

OCT 05 2017

PER / PAR:

A small, handwritten signature or mark, possibly initials, written in cursive.

SCHEDULE "A"

Court File No. CV-17-11846-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF SEARS CANADA INC., CORBEIL
ÉLECTRIQUE INC., S.L.H. TRANSPORT INC., THE CUT INC.,
SEARS CONTACT SERVICES INC., INITIUM LOGISTICS
SERVICES INC., INITIUM COMMERCE LABS INC., INITIUM
TRADING AND SOURCING CORP., SEARS FLOOR
COVERING CENTRES INC., 173470 CANADA INC., 2497089
ONTARIO INC., 6988741 CANADA INC., 10011711 CANADA
INC., 1592580 ONTARIO LIMITED, 955041 ALBERTA LTD.,
4201531 CANADA INC., 168886 CANADA INC., AND 3339611
CANADA INC.
(each, an "Applicant", and collectively, the "Applicants")

MONITOR'S CERTIFICATE

RECITALS

A. All undefined terms in this Monitor's Certificate have the meanings ascribed to them in the Order of the Court dated ●, 2017 (the "Approval and Vesting Order") approving the Lease Surrender Agreement between Sears Canada Inc. ("Sears Canada"), as Tenant, and Scarborough Town Centre Holdings Inc. (the "Landlord") as Landlord dated September 27, 2017 (the "Lease Surrender Agreement"), a copy of which is attached as Exhibit A to the Affidavit of Billy Wong dated September 28, 2017.

B. Pursuant to the Approval and Vesting Order the Court approved the Lease Surrender Agreement and provided for the surrender to the Landlord of Sears Canada's right, title and interest in and to the Leases and the Real Property Interests (as defined in the Lease Surrender Agreement), which surrender is to be effective with respect to the Leases and the Real Property Interests upon the delivery by the Monitor to the Landlord and Sears Canada of a certificate confirming that (i) the conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Lease Surrender Agreement

have been satisfied or waived by the Landlord and Sears Canada, as applicable, and (ii) the Surrender Consideration and any Taxes payable (each as defined in the Lease Surrender Agreement) to Sears Canada that are not self-assessed and remitted by the Landlord have been received by the Monitor.

THE MONITOR CERTIFIES the following:

1. The conditions to Closing as set out in sections 7.1, 7.2 and 7.3 of the Lease Surrender Agreement have been satisfied or waived by the Landlord and Sears Canada, as applicable; and
2. The Surrender Consideration and any Taxes payable to Sears Canada that are not self-assessed and remitted by the Landlord have been received by the Monitor.

This Monitor's Certificate was delivered by the Monitor at _____ [TIME] on _____ [DATE].

FTI CONSULTING CANADA INC., in its capacity as Court-appointed Monitor of Sears Canada Inc., et al. and not in its personal or corporate capacity

Per: _____
Name:
Title:

SCHEDULE "B"

No.	Location/ Address	Province	Land Registry Office	Legal Description	Encumbrances to be Expunged/ Deleted/Vacated, as applicable
1.	300 Borough Drive, Scarborough	ON	LRO No. 66 (Toronto)	PIN 06000-0287 (LT) BLOCKS M & N PLAN 66M1410...T/W R.O.W. OVER PT LOT 24, CON 2, PT 2 66R1261...S/T EASE. AS IN A71301...T/W R.O.W. OVER BLKS AX, DX, FX, GX, HX, KX, LX, OX, PX, QX, RX, TX, AS IN A322822 AND BLKS EX, JX, SX, UX AS IN A322823 AND A344281 AS AMENDED BY C754001...SUBJECT TO COVENANTS AS IN A365838...S/T EASE AND COVENANT AS IN A387102... S/T RIGHT, EASE AND COVENANT AS IN A652794...S/T EASE, COVENANT & RESTRICTION AS IN C155633 (FOR PARTIAL DELETION OF EASEMENT C155633 SEE C742395) ..SCARBOROUGH , CITY OF TORONTO	<p>a. Instrument No. AT4620014 registered July 6, 2017 being a construction lien in favour of 152610 Canada Inc. in the amount of \$988,747.70</p> <p>b. Instrument No. AT4623148 registered July 10, 2017 being a construction lien in favour of Abbarch Architecture Inc. in the amount of \$99,359.94</p> <p>c. Instrument No. AT4623801 registered July 11, 2017 being a construction lien in favour of Citymark Construction and Drywall Inc. in the amount of \$128,301.33</p> <p>d. Instrument No. AT4640337 registered July 28, 2017 being a construction lien in favour of Nelnor Construction, a division of Décor Craft Inc. in the amount of \$87,000.00</p> <p>e. Instrument No. AT4643739 registered August 1, 2017 being a construction lien in favour of 9241582 Canada Inc. in the amount of \$235,586.02</p> <p>f. Instrument No. AT4656477 registered August 16, 2017 being a construction lien in favour of Industrial Floor Systems Corp. in the amount of \$203,774.15</p> <p>g. Instrument No. AT4697588 registered October 3, 2017 being a construction lien in favour of Kone Inc. in the amount of \$15,244.96</p> <p>h. Instrument No. AT4676578 registered September 8, 2017 being a certificate of action in favour of 152610 Canada Inc. perfecting the construction lien registered on July 6, 2017 as Instrument No. AT4620014</p> <p>i. Instrument No. AT4681133 registered September 14, 2017 being a certificate of action in favour of Abbarch Architecture Inc.</p>

No.	Location/ Address	Province	Land Registry Office	Legal Description	Encumbrances to be Expunged/ Deleted/Vacated, as applicable
					<p>perfecting the construction lien registered on July 10, 2017 as Instrument No. AT4623148</p> <p>j. Instrument No. AT4683400 registered September 18, 2017 being a certificate of action in favour of Citymark Construction and Drywall Ltd. perfecting the construction lien registered on July 11, 2017 as Instrument No. AT4623801</p> <p>k. Instrument No. AT4684086 registered September 19, 2017 being a certificate of action in favour of Nelnor Construction, a division of Décor Craft Inc. perfecting the construction lien registered on July 28, 2017 as Instrument No. AT4640337</p> <p>l. Instrument No. AT4688184 registered September 22, 2017 being a certificate of action in favour of Industrial Floor Systems Corp. perfecting the construction lien registered on August 16, 2017 as Instrument No. AT4656477</p> <p>m. Instrument No. A461974 registered November 12, 1974 being a Notice of Sublease in favour of Simpsons, Limited</p> <p>n. Instrument No. A824056 registered December 17, 1979 being a Notice of Agreement with Simpson Limited</p> <p>o. Instrument No. C735864 registered September 26, 1991 being an Application to Change Name-Instrument re Simpsons Limited re Nos. A461974 and A601584</p> <p>p. Instrument No. C735865 registered September 26, 1991 being an Agreement between Simpsons Limited and Hudson's Bay Company</p>

SCHEDULE "C"
PERMITTED ENCUMBRANCES

"Permitted Encumbrances" means, collectively: (a) any Encumbrances encumbering the freehold or other ownership interest in the Property or any other interest in the Property of the Landlord, but excludes any Encumbrances solely encumbering the Tenant's leasehold interest in and to any Property situated outside of the Province of Québec on which the Premises are located or the rights of the Tenant as lessee under the Leases; (b) Encumbrances resulting from the Landlord's actions or omissions; and (c) the items identified in Schedule "J" of the Lease Surrender Agreement; provided however that, for greater certainty, "Permitted Encumbrances" shall not include any of the Construction Liens or any other Encumbrances, and the Landlord expressly does not assume or accept any obligations or liabilities in respect of same.

IN THE MATTER OF the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended
 AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS CANADA INC., CORBEIL ÉLECTRIQUE INC., S.L.H. TRANSPORT INC., THE CUT INC., SEARS CONTACT SERVICES INC., INITIUM LOGISTICS SERVICES INC., INITIUM COMMERCE LABS INC., INITIUM TRADING AND SOURCING CORP., SEARS FLOOR COVERING CENTRES INC., 173470 CANADA INC., 2497089 ONTARIO INC., 6988741 CANADA INC., 10011711 CANADA INC., 1592580 ONTARIO LIMITED, 955041 ALBERTA LTD., 4201531 CANADA INC., 168886 CANADA INC., AND 3339611 CANADA INC.

Court File No: CV-17-11846-00CL

Applicants

Ontario
**SUPERIOR COURT OF JUSTICE
 COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

Approval and Vesting Order – Lease Surrender
 Agreement Scarborough Town Centre (Store #1308)

OSLER, HOSKIN & HARCOURT, LLP

P.O. Box 50, 1 First Canadian Place
 Toronto, ON M5X 1B8

Marc Wasserman LSUC# 44066M
 Tel: 416.862.4908

Jeremy Dacks LSUC# 41851R
 Tel: 416.862.4923

Tracy Sandler LSUC# 32443N
 Tel: 416.862.5890

Karin Sachar LSUC# 59944E
 Tel: 416.862.5949
 Fax: 416.862.6666

Lawyers for the Applicants

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS CANADA INC., et al.

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

Proceeding commenced at TORONTO

**AFFIDAVIT OF CATHERINE MA
(Sworn May 21, 2020)**

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000, P.O. Box 53
Toronto, Ontario M5K 1E7

Orestes Pasparakis, LSO#: 36851T

Tel: +1 416.216.4815

Virginie Gauthier, LSO#: 41097D

Tel: +1 416.216.4853

Alan Merskey, LSO#: 41377I

Tel: +1 416.216.4805

Evan Cobb, LSO#: 55787N

Tel: +1 416.216.1929

Alexander Schmitt, LSO#: 63860F

Tel: +1 416.216.2419

Fax: +1 416.216.3930

orestes.pasparakis@nortonrosefulbright.com

virginie.gauthier@nortonrosefulbright.com

alan.merskey@nortonrosefulbright.com

evan.cobb@nortonrosefulbright.com

alexander.schmitt@nortonrosefulbright.com

Lawyers to the Monitor, FTI Consulting Canada Inc.

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

Court File No.: CV-17-11846-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SEARS
CANADA INC., et al.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at TORONTO

MOTION RECORD OF THE MONITOR
(Amending Order – Scarborough Town Centre)
(returnable May 28, 2020)

NORTON ROSE FULBRIGHT CANADA LLP
222 Bay Street, Suite 3000,
P.O. Box 53
Toronto, Ontario M5K 1E7

Orestes Pasparakis, LSO#: 36851T
Tel: +1 416.216.4815

Virginie Gauthier, LSO#: 41097D
Tel: +1 416.216.4853

Alan Merskey, LSO#: 41377I
Tel: +1 416.216.4805

Evan Cobb, LSO#: 55787N
Tel: +1 416.216.1929
Fax: +1 416.216.3930

orestes.pasparakis@nortonrosefulbright.com
virginie.gauthier@nortonrosefulbright.com
alan.merskey@nortonrosefulbright.com
evan.cobb@nortonrosefulbright.com

Lawyers to the Monitor, FTI Consulting Canada Inc.